



SANDRA SHEWRY
Director

State of California—Health and Human Services Agency
Department of Health Services



ARNOLD SCHWARZENEGGER
Governor

June 6, 2007

Dear Interested Party,

Notice to Prospective Proposers

Prospective Proposers are invited to review and respond to this Request for Proposal (RFP) Number 07-65000 entitled, "Workers' Compensation Recovery Program" for two regions covering Northern and Southern California. In submitting a proposal(s) for either or both regions, compliance with the instructions found herein is imperative.

This RFP may be viewed, copied and printed by downloading from the following internet site: <http://www.dhs.ca.gov/omcp>. All agreements entered into with the State of California will include, by reference, General Terms and Conditions and Contractor Certification Clauses that may be viewed and downloaded at the following Internet site: <http://www.ols.dgs.ca.gov/Standard+Language/default.htm>.

If any prospective Proposer lacks Internet access, a hard copy of these materials can be obtained by contacting the Office of Medi-Cal Procurement, Robert Marlow or Nathan Greve at (916) 552-8006.

If a discrepancy occurs between the information in the advertisement appearing in the California State Contracts Register and the information herein, the information in this notice and in the RFP shall take precedence.

I. Proposal Submission Deadline

Regardless of postmark or method of delivery, the California Department of Health Services' (CDHS), Office of Medi-Cal Procurement must receive proposal packages no later than **4:00 p.m. on August 6, 2007**. Refer to the attached RFP for detailed submission requirements.

II. Voluntary Non-Binding Letter of Intent & Mandatory Request for Inclusion on Mailing List

In this procurement, prospective Proposers are asked to voluntarily submit a Request for Inclusion on Mailing List. See the RFP for detailed & Mandatory Request for Inclusion on Mailing List submission instructions.

III. Disabled Veteran Business Enterprise (DVBE) Participation Requirements

California Law requires Disabled Veteran Business Enterprise (DVBE) participation and/or performance of a good faith effort (GFE) to meet these requirements. CDHS policies require DVBE participation on all contracts exceeding \$10,000. Prospective Proposers may need four weeks or more to complete this process; therefore it is advisable to begin this process promptly. Out-of-state firms must comply with California's DVBE participation requirements.

IV. Funding

These contracts are contingent fees based payments only. All payments will be based only the actual recovery of Medi-Cal claims.

V. Proposer Questions

In the opinion of the CDHS, this RFP is complete and without need of explanation. However, if questions arise or there is a need to obtain clarifying information, put all inquiries in writing and mail or fax them to CDHS according to the instructions in the RFP section entitled, "Proposer Questions".

Thank you for your interest in CDHS' service needs.

Sincerely,

Original Signed by *Donna Martinez*

Donna Martinez, Chief
Office of Medi-Cal Procurement

Attachments



Request for Proposal 07-65000

Medi-Cal Workers' Compensation Recovery Program

California Department of Health Services
Office of Medi-Cal Procurement
MS 4200
1501 Capitol Ave., Suite 71.3041
P.O. Box 997413
Sacramento, CA 95899-7413

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Attachment 1	Proposal Cover Page
Attachment 2	Required Attachment/Certification Checklist
Attachment 3	Business Information Sheet
Attachment 4	Client References
Attachment 5	RFP Clause Certification
Attachment 6	CCC 307 – Certification
Attachment 7	Payee Data Record
Attachment 8	Follow-on Consultant Disclosure Document
Attachment 9	DVBE Instructions/ Forms with Attachment 9a, Actual DVBE Participation and Attachment 9b, Good Faith Effort
Attachment 10	Non-Small Business Subcontractor Preference Instructions with Non-Small Business Subcontractor Preference Request (Attachment 10a) and Small Business Subcontractor/Supplier Acknowledgment (Attachment 10b)
Attachment 11	Target Area Contract Preference Act (TACPA) Request
Attachment 12	Enterprise Zone Act (EZA) Preference Request
Attachment 13	Conflict of Interest Compliance Certificate
Attachment 14	“Voluntary” Letter of Intent
Attachment 15	Mandatory Request for Inclusion on Mailing List
Attachment 16	Bid Proposal Form

T.	Sample Contract Forms/Exhibits.....	
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Exhibit #	Exhibit Name
Exhibit A 1	Standard Agreement
Exhibit A	Scope of Work
Exhibit B	Budget Detail and Payment Provisions
Exhibit C	General Terms and Conditions (GTC 307). View or download at this Internet site http://admin.int.CDHS.ca.gov/forms/html/contracts.htm

Exhibit #	Exhibit Name
Exhibit D (F)	Special Terms and Conditions
Exhibit E	Additional Provisions
Exhibit F	Contractor's Release
Exhibit G	HIPAA Business Associate Addendum

U. Program Appendices.....

Appendix #	Appendix Name
Appendix 1	Driving Instructions to the Office of Medi-Cal Procurement
Appendix 2	Workers' Compensation Data and Information Library Listing
Appendix 3	Acronyms List
Appendix 4	Driving Instructions and Map to the Pre-Proposal Conference

A. Purpose, Background and Description of Services

1. Purpose

The California Department of Health Services (CDHS), Medi-Cal Workers' Compensation Recovery Program (WCRP) is soliciting proposals from firms that are able to be responsible for the Medi-Cal recoveries involving Workers' Compensation (WC) claims filed with insurance carriers, employers and/or the Workers' Compensation Appeals Board (WCAB). Proposals must address all of the services described in Exhibit A entitled, "Scope of Work."

The Medi-Cal WCRP intends to award two separate contracts for two separate geographic areas. The contracts will be referred to as the WCRP Southern Region contract and the WCRP Northern Region contract. The contracts will be awarded to the most responsive and responsible firm earning the highest combined narrative and bid score for each contract awarded. Proposers may bid on either the WCRP Northern Region contract, WCRP Southern Region contract or both contracts.

The 48 counties designated in the WCRP Northern Region contract are: Alameda; Alpine; Amador; Butte; Calaveras; Colusa; Contra Costa; Del Norte; El Dorado; Fresno; Glenn; Humboldt; Inyo; Kings; Lake; Lassen; Madera; Marin; Mariposa; Mendocino; Merced; Modoc; Mono; Monterey; Napa; Nevada; Placer; Plumas; Sacramento; San Benito; San Francisco; San Joaquin; San Mateo; Santa Clara; Santa Cruz; Shasta; Sierra; Siskiyou; Solano; Sonoma; Stanislaus; Sutter; Tehama; Trinity; Tulare; Tuolumne; Yolo; and Yuba.

The 10 counties designated in the WCRP Southern Region contract are: Imperial; Kern; Los Angeles; Orange; Riverside; San Bernardino; San Diego; San Luis Obispo; Santa Barbara; and Ventura.

This procurement is open to all eligible firms and/or individuals that meet the qualification requirements, including commercial businesses, nonprofit organizations, State or public universities (including auxiliary organizations) and other entities.

2. Background

In July 1965, the Social Security Act (SSA) was amended to add Title XVIII, which established the Medicare Program and Title XIX, which established the state-option Medicaid Program, in California known as Medi-Cal. Title XIX provided federal reimbursement (called "federal financial participation") to those states that implemented a Medicaid Program.

California legislation implementing the Title XIX program was signed in November 1965. Medi-Cal, the California Medicaid program, became effective in March 1966. Prior to the start of Medi-Cal, indigent Californians were provided health care services through a variety of programs administered by the counties. With the advent of Medi-Cal, a wide range of health benefits are provided uniformly to certain individuals throughout the State whose income and resources are insufficient to meet the cost of necessary medical services without jeopardizing the person's or family's self-maintenance and security.

Title XIX, section 1902, subsection (a) (25) of the SSA directs any state agency administering a plan for medical assistance under this chapter to take all reasonable measures to determine the legal responsibility of a party or carrier as it relates to the payment of medical care arising out of a work-related illness or injury. If a party is legally liable, the State shall seek reimbursement to the extent of legal liability.

In 1981, Welfare and Institutions Code (W&I) section 14124.82 directed the State to enter into at least two pilot project contracts for WC recoveries. Subsequent to the expiration of the pilot project contracts, W&I Code section 14124.88 allowed CDHS at its discretion, to continue contracting out the WCRP. However, a separate contract is required for the northern region and the southern region. As such, the State has contracted out the WCRP since 1991.

Each Contractor receives a fixed percentage based on the amount of recoveries collected on behalf of the State for WC cases, under the terms of their contracts.

Medi-Cal WCRP cases are developed and carried out from the discovery of a case to closure or settlement. All cases on which liens are filed with the appropriate employer, WC carrier or WCAB prior to expiration of this contract shall remain with the existing Contractor. Extensive transition activities are not contemplated from the current Contractor to the new Contractor. Upon termination/expiration of the existing contract, unprocessed potential case referrals will be transferred to the new Contractor within thirty State working days of the expiration of the contract. There will also be a transparent change over in some of the administrative areas of the contract to provide the successful Contractor with the necessary systems access and claims data to perform the work described in this RFP. WCRP cases are identified by an electronic data match between the Department of Industrial Relations and the Medi-Cal Eligibility Data Systems (MEDS). Data used for matching will be forwarded to the successful Contractor(s). Access to eligibility information and resources to order Medi-Cal beneficiary claim history reports will be available for each region. Refer to Scope of Work and Data Library Listing, for additional information and/or examples.

Contractor recovery of Medi-Cal expenditures in WCRP cases for fiscal year 05/06 were approximately 2.6 million dollars. A listing of the WCRP recovery figures supplied to CDHS in the reports submitted by the current Contractors are available for viewing in the Data Library, beginning Friday May 25, 2007.

Please refer to Appendix 2, for a listing of documents in the Data Library or as part of the online Data Library.

B. Time Schedule

Below is the tentative time schedule for this procurement:

Event	Date	
RFP Released	June 6, 2007	
Questions Due	June 27, 2007	4:00 p.m.
Voluntary Pre-Proposal Conference	June 27, 2007	1:30 p.m.
Mandatory Request for Inclusion on Mailing List	June 27, 2007	
Voluntary Non Binding Letter of Intent	July 2, 2007	
Proposal Due Date	August 6, 2007	4:00 p.m.
Notice of Intent to Award Posted	September 17, 2007	

Event	Date	
Protest Deadline	September 25, 2007	5:00 p.m.
Contract Award Date	September 26, 2007	
Proposed Start Date of Agreement	December 1, 2007	

C. Contract Term

The term of the resulting agreement is expected to be 36 months and is anticipated to be effective from December 1, 2007 through November 30, 2010. The agreement term may change if CDHS makes an award earlier than expected or if CDHS cannot execute the agreement in a timely manner due to unforeseen delays. Additionally, 1 (one) or two (2), contract extension(s) of 1 (one) year each may be required and executed at the sole discretion of CDHS to complete or continue the services. Contract extensions are subject to satisfactory performance, funding availability, and possibly approval by the Department of General Services.

The resulting contract will be of no force or effect until it is signed by both parties and approved by the Department of General Services (DGS), if required. The Contractor is hereby advised not to commence performance until all approvals have been obtained. Should performance commence before all approvals are obtained, said services maybe considered to have been volunteered, if all approvals are not obtained.

D. Proposer Questions

Immediately notify CDHS if clarification is needed regarding the services sought or questions arise about the RFP and/or its accompanying materials, instructions, or requirements. Put the inquiry in writing and transmit it to CDHS as instructed below. At its discretion, CDHS reserves the right to contact an inquirer to seek clarification of any inquiry received.

Proposers that fail to report a known or suspected problem with the RFP and/or its accompanying materials or fail to seek clarification and/or correction of the RFP and/or its accompanying materials shall submit a proposal at their own risk. In addition, if awarded the contract, the successful Proposer shall not be entitled to additional compensation for any additional work caused by such problem, including any ambiguity, conflict, discrepancy, omission or error.

If an inquiry appears to be unique to a single firm or is marked "Confidential," CDHS will mail, email, or fax a response only to the inquirer if CDHS concurs with the Proposer's claim that the inquiry is sensitive or proprietary in nature. If CDHS does not concur, the inquiry will be answered in the manner described herein and the Proposer will be so notified. Inquiries and/or responses that CDHS agrees should be held in confidence shall be held in confidence only until the Notice of Intent to Award is posted.

To the extent practical, inquiries shall remain as submitted. However, the CDHS may consolidate and/or paraphrase similar or related inquiries.

1. What to include in an inquiry

- a. Your name, name of your firm, mailing address, area code and telephone number and fax number.
- b. A description of the subject or issue in question or discrepancy found.
- c. RFP section, page number or other information useful in identifying the specific problem or issue in question.

- d. Remedy sought, if any.

A prospective Proposer that desires clarification about specific RFP requirements and/or whose inquiry relates to sensitive issues or proprietary aspects of a proposal may submit individual inquiries that are marked "Confidential." The Inquirer must include with its inquiry an explanation as to why it believes questions marked "Confidential" are sensitive or surround a proprietary issue.

2. Question deadline

Proposers are encouraged to submit written inquiries about this RFP to CDHS no later than two (2) working days before the Pre-Proposal Conference date so answers can be prepared in advance. Notwithstanding the initial question submission deadline, CDHS will accept written or faxed inquiries received by 1:30 p.m. on Wednesday, June 27, 2007. At its discretion, CDHS may contact an inquirer to seek clarification of any inquiry received.

Notwithstanding the initial question submission deadline, CDHS will accept questions or inquiries about the following issues if such inquiries are received prior to the proposal submission deadline:

- a. DVBE participation requirements and how to complete the DVBE attachments,
- b. The reporting of RFP errors or irregularities.

3. How to submit questions

Submit inquiries using one of the following methods:

U.S. Mail, Hand Delivery or Overnight Express:	Fax:
Questions RFP 07-65000 California Department of Health Services Office of Medi-Cal Procurement Workers' Compensation Recovery Program Attn: Nathan Greve or Robert Marlow MS 4200 1501 Capitol Avenue, Suite 71.3041 P.O. Box 997413 Sacramento, CA 95899-7413	Questions RFP 07-65000 California Department of Health Services Office of Medi-Cal Procurement Workers' Compensation Recovery Program Attention: Nathan Greve or Robert Marlow Fax: (916) 440-7369

Proposers submitting inquiries by fax are responsible for confirming the receipt of all faxed materials by the question deadline.

Call Nathan Greve or Robert Marlow at (916) 552-8006 to confirm faxed transmissions.

4. Proposer warning

- a. CDHS' internal processing of U.S. mail may add 48 hours or more to the delivery time. If questions are mailed, consider using certified or registered mail and request a receipt upon delivery.
- b. For hand deliveries, allow sufficient time to locate on street metered parking and to sign-in at the security desk. If detained at the security desk, ask security personnel to call Nathan

Greve or Robert Marlow at (916) 552-8006 to arrange for question pickup and receipt issuance by OMCP staff.

- c. Courier service personnel must sign-in at the security desk and must obtain an access key card. Couriers will then be able to access pre-determined areas. If detained at the security desk, ask security personnel to call Nathan Greve or Robert Marlow at (916) 552-8006 to collect the question envelope and to issue a receipt.
- d. Due to parking restrictions at this location, express delivery companies (Fed Ex, UPS, DHL, etc.) deliver to the building's loading dock area. CDHS internal processing of express deliveries may add 12-24 hours to the delivery time and should be considered when determining your shipping date and time.

Note: See Appendix 1 for map and directions to OMCP.

See Appendix 1 for driving and parking instructions.

5. Verbal Questions

Verbal inquiries are discouraged. CDHS reserves the right not to accept or respond to verbal inquiries. **Spontaneous verbal remarks provided in response to verbal inquiries are unofficial and are not binding on CDHS unless later confirmed in writing.**

Direct all verbal requests for DVBE assistance to CDHS' DVBE coordinator at (916) 650-0205 up to the proposal deadline.

E. Data Library

A Data Library for the sole use of Proposers will be established on Wednesday, June 6, 2007. The Data Library will be accessible "by appointment" on State working days Monday through Friday from 8:00 a.m. to noon and 1:00 p.m. to 4:00 p.m. Access to the Data Library is restricted to authorized Proposers and/or their authorized representatives who have established an advance appointment through the process described below. All or part of the data library may be downloaded from the Office of Medi-Cal Procurement (OMCP) website located at <http://www.dhs.ca.gov/omcp/> starting on Wednesday, June 6, 2007.

1. Location

CDHS will maintain the Data Library at the following location:

Office of Medi-Cal Procurement
1501 Capitol Avenue, Suite 71.3041
Sacramento, CA 95814

See Appendix 1 for driving and parking instructions.

2. Appointments and/or Requesting Data Library Material via CD-R

Appointments to access the Data Library or to request data library material via CD-R may be arranged by contacting CDHS through one of the methods below. Requests for copies of data library material via CD-R and submission of blank CD-R's should be submitted by one of the following methods. Include the following information in the request:

- a. Name of requester
- b. Title of requester
- c. Firm represented

- d. Telephone number
- e. Fax number
- f. E-mail address, if applicable
- g. Desired date of visit
- h. Desired time of visit

U.S. Mail, Hand Delivery or Overnight Express:	Fax:
Library Appointment RFP 07-65000 California Department of Health Services Office of Medi-Cal Procurement Workers' Compensation Recovery Program Attn: Nathan Greve or Robert Marlow MS 4200 1501 Capitol Avenue, Suite 71.3041 P.O. Box 997413 Sacramento, CA 95899-7413	Library Appointment RFP 07-65000 California Department of Health Services Office of Medi-Cal Procurement Workers' Compensation Recovery Program Attn: Nathan Greve or Robert Marlow Fax: (916) 440-7369
Telephone: Nathan Greve or Robert Marlow at (916) 552-8006 for questions regarding the Data Library.	

3. Proposer warning

- a. CDHS' internal processing of U.S. mail may add 48 hours or more to the delivery time. If the appointment request is mailed, consider using certified or registered mail and request a receipt upon delivery.
- b. For hand deliveries, allow sufficient time to locate on street metered parking and to sign-in at the security desk. If detained, ask security personnel to call Nathan Greve or Robert Marlow at (916) 552-8006 to arrange for appointment request pickup or delivery of CD-R and receipt issuance.
- c. Courier service personnel must sign-in at the security station and must obtain an access key card. Couriers will then be able to access pre-determined areas. If detained at the security desk, ask security personnel to call Nathan Greve or Robert Marlow at (916) 552-8006 to have appropriate staff collect the appointment request or delivery of CD-R and to issue a receipt.

4. Contents

The Data Library contains various documentation and information that Proposers may find beneficial in the preparation of their proposal responses. Examples of Data Library materials include:

- a. Statutory requirements regarding third party recovery.
- b. Statistical data samples of Medi-Cal paid claim data from various sources.
- c. Case referral samples from various sources.
- d. Other basic information needed in the preparation of this proposal.

Data Library materials may be periodically updated and additional documents may be added. Proposers that have requested access to the Data Library or CD-R copies will be

notified of the additions and/ or changes by way of written notice.

See Appendix 2 for information regarding the WC Data Library.

5. Obtaining Copies of Library Materials

Proposers that wish to obtain reproduced hard copies of Data Library materials may do so by contacting Nathan Greve or Robert Marlow at (916) 552-8006. Proposers are requested to provide their own copying services for any copied material.

F. Pre-Proposal Conference

CDHS will conduct a voluntary Pre-Proposal Conference in Sacramento on Wednesday, June 27, 2007, beginning at 1:30 PM at the following location:

California Department of Health Services
1500 Capitol Avenue, 1st Floor Auditorium
Sacramento, CA 95814

Prospective Proposers that intend to submit a proposal are encouraged to attend the voluntary Pre-Proposal Conference. It shall be each prospective Proposer's responsibility to attend the Pre-Proposal Conference promptly at 1:30 p.m. CDHS reserves the right not to repeat information for participants that join the conference after it has begun.

If a potential prime contractor is unable to attend the voluntary Pre-Proposal Conference, an authorized representative of its choice may attend on its behalf. The representative may only sign-in for one potential prime contractor. Subcontractors may represent a potential prime contractor at the voluntary Pre-Proposal conference.

The voluntary Pre-Proposal Conference is a public event or meeting and anyone can attend.

The purpose of the conference is to:

1. Allow prospective Proposers to ask questions about the services sought or RFP requirements and/or instructions.
2. Share the answers to general questions and inquiries received before and during the conference.

Spontaneous verbal remarks provided in response to questions/inquiries are unofficial and are not binding on CDHS unless later confirmed in writing.

Carefully review this RFP before the conference date to become familiar with the qualification requirements, scope of work and proposal content requirements. Conference attendees are encouraged to have their copy of this RFP available for viewing during the conference.

Refer to the RFP section entitled, "Proposer Questions" for instructions on how to submit written questions and inquiries before the conference date.

If CDHS is unable to respond to all inquiries received before and/or during the conference, CDHS will provide written answers shortly thereafter. CDHS reserves the right to determine which inquiries will be answered during the conference and which will be answered later in writing.

After the conference, CDHS will summarize all general questions and issues raised before and during the conference and mail, email, or fax the summary and responses to all persons who

received this RFP and to those who attended/participated in the conference. If an inquiry appears to be unique to a single firm or is marked "Confidential," CDHS will mail, email or fax a response only to the inquirer if CDHS concurs with the inquirer's claim that the inquiry is sensitive or proprietary in nature. If CDHS does not concur, the inquiry will be answered in the manner described herein and the inquirer will be so notified. Inquiries and/or responses that CDHS agrees should be held in confidence shall be held in confidence only until the Notice of Intent to Award is posted.

To the extent practical, inquiries shall remain as submitted. However, CDHS may consolidate and/or paraphrase similar or related inquiries.

Conference attendees are responsible for their cost to attend/participate in the conference. Those cost cannot be charged to CDHS or included in any cost element of a Proposer's price offering.

See Appendix 4 for driving and parking instructions.

G. Reasonable Accommodations

For individuals with disabilities, CDHS will provide assistive services such as sign-language interpretation, real-time captioning, note takers, reading or writing assistance, and conversion of Pre-Proposal conference handouts, Request for Proposal questions/answers, RFP Addenda, applicable data library materials, or other Administrative Notices into Braille, large print, audio cassette, or computer disk. To request such services or copies in an alternate format, please call the number below no later than June 11, 2007 to arrange for reasonable accommodations.

Nathan Greve or Robert Marlow
Office of Medi-Cal Procurement
Workers' Compensation Recovery Program
Program telephone number (916) 552-8006
(TTY) California Relay telephone number 711-1-800-735-2929

NOTE: The range of assistive services available may be limited if requestors cannot allow ten or more State working days prior to date the alternate format material is needed.

H. Voluntary Non-Binding Letter of Intent & Mandatory Request for Inclusion on Mailing List

1. General Information - Voluntary Non-Binding Letter of Intent

Prospective Proposers are asked to voluntarily indicate either their intention to submit a proposal or to indicate the reason(s) for not submitting a proposal. Failure to submit the Voluntary Letter of Intent will not affect the acceptance of any proposal. The Voluntary Letter of Intent is not binding and prospective Proposers are not required to submit a proposal merely because a Letter of Intent is submitted. **Use the Voluntary Letter of Intent (Attachment 14) for this purpose.**

2. General Information - Mandatory Request for Inclusion on Mailing List

CDHS recognizes that not all parties are interested in continuing to receive updates concerning the RFP. In addition, printing and mailing updates to all interested parties on the mailing list is costly to CDHS. CDHS will continue to provide automatic updates concerning the RFP only to prospective Proposers who have provided a Mandatory Request for Inclusion on Mailing List form, **Attachment 15**. Regardless of delivery method, the Mandatory Request for Inclusion on Mailing List form is due by **4:00 p.m. on June 27, 2007**, after which only those who have requested inclusion shall be automatically updated.

Please note that OMCP will continue to accept Mandatory Request for Inclusion on Mailing List forms up to the due date for proposals.

It is incumbent upon any Proposer who has not submitted a Mandatory Request for Inclusion on the Mailing List form, but intends to bid on this contract, to monitor the website at <http://www.CDHS.ca.gov/omcp> for any administrative bulletins and/or addenda updates to the RFP.

A Proposer may also call (916) 552-8006 to request any administrative bulletins and/or RFP addenda updates to the RFP.

3. Submitting the Voluntary Letter of Intent

Regardless of delivery method, the Voluntary Letter of Intent form should be received by 4:00 p.m. on, July 2 2007.

Submit the Voluntary Letter of Intent and the Mandatory Request for Inclusion on Mailing List forms using one of the following methods.

U.S. Mail, Hand Delivery or Overnight Express	Fax:
Letter of Intent/Mailing List RFP 07-65000 California Department of Health Services Office of Medi-Cal Procurement Workers' Compensation Recovery Program Attn: Nathan Greve or Robert Marlow MS 4200 1501 Capitol Avenue, Suite 71.3041 P.O. Box 997413 Sacramento, CA 95899-7413	Letter of Intent/Mailing List RFP 07-65000 California Department of Health Services Office of Medi-Cal Procurement Workers' Compensation Recovery Program Attn: Nathan Greve or Robert Marlow Fax: (916) 440-7369

Proposers transmitting a Voluntary Letter of Intent and/or a Mandatory Request for Inclusion on Mailing List form by fax are responsible for confirming the receipt of the faxed Voluntary Letter and/or Mandatory Request form.

Call Nathan Greve or Robert Marlow at (916) 552-8006 to confirm faxed transmissions.

4. Proposer warning

- CDHS' internal processing of U.S. mail may add 48 hours or more to the delivery time. If the Voluntary letter of Intent and/or Mandatory Request for Inclusion on Mailing List forms are mailed, consider using certified or registered mail and request a receipt upon delivery.
- For hand deliveries, allow sufficient time to locate on street metered parking and to sign-in at the security desk. If detained at the security desk, ask security personnel to call Nathan Greve or Robert Marlow at (916) 552-8006 to arrange for Voluntary letter of Intent and/or mandatory Request for Inclusion on Mailing List pickup and receipt issuance.
- Courier service personnel must sign-in at the security station and must obtain an access key card. Couriers will then be able to access pre-determined areas. If detained at the security desk, ask security personnel to call Nathan Greve or Robert Marlow at (916) 552-8006 to have appropriate staff collect the Letter of intent and or Mandatory Request for Inclusion request and to issue a receipt.

Note: See Appendix 1 for driving and parking instructions.

I. Scope of Work

See Exhibit A entitled, "Scope of Work" that is included in the Sample Contract Forms and Exhibits section of this RFP. Exhibit A contains a detailed description of the services and work to be performed as a result of this procurement.

J. Qualification Requirements

Failure to meet the following requirements by the proposal submission deadline will be grounds for CDHS to deem a Proposer non-responsive. Evaluators may choose not to thoroughly review or score proposals that fail to meet these requirements. In submitting a proposal, each Proposer must certify and prove that it possesses the following qualification requirements:

1. At least three consecutive years of experience of the type(s) listed below in J.2. All experience must have occurred within the past five years. It is possible to attain the experience types listed below during the same time period. Each Proposer must have the legal capacity to enter into a contract with the State and must meet the State's financial viability requirements. If a Proposer is bidding for more than one Region, it must meet the cumulative financial requirements for all the Regions bid. Any contract awarded to a Proposer must identify such Proposer as the contractor, who shall assume all rights and responsibilities.
2. The Proposer must have relevant prior experience similar to the work contemplated by this RFP and which demonstrates the Proposer's ability to perform such work. Such experience may consist of a combination of experience either by the Proposer or by a parent corporation of the Proposer or the relevant work experience of a subcontractor. If the prior experience and demonstrated ability requirements are to be met by the experience of subcontractors, documentation of the subcontractors' experience and ability must be formally submitted and accepted as part of the Proposer's Narrative proposal. Consideration will be given to the takeover, development, modification and/or operation of any recovery program with particular emphasis on:
 - a. Workers' Compensation Recovery Programs
 - b. Medicaid Contracts
 - c. Medi-Cal Contracts
 - d. Government Contracts
 - e. Other Third Party Liability Recovery Programs
3. Proposers must certify that they have read and are willing to comply with all proposed terms and conditions addressed in the RFP section entitled, "Contract Terms and Conditions," including the terms appearing in the referenced contract exhibits and attachments.
4. **Corporations** must certify that they are in good standing and qualified to conduct business in California.
5. **Non-profit organizations** must certify they are eligible to claim nonprofit status.

6. Proposers must certify that they have a past record of sound business integrity and a history of being responsive to past contractual obligations.
7. Proposers must certify they are financially stable and solvent and have adequate cash reserves to meet all financial obligations while awaiting reimbursement from the State.
8. Proposers must either achieve actual DVBE participation **or** make an adequate Good Faith Effort (GFE) to meet the DVBE participation requirements. Detailed requirements are outlined in **Attachment 9** (DVBE Instructions/ Forms). This requirement applies if you offer a total cost or price that is \$10,000 or more.
9. The winning Proposer must supply, before contract execution, proof of liability insurance that meets the requirements of Provision 10. of **Exhibit E** entitled, Additional Provisions
10. Proposers must certify and submit proof that no prohibited conflict of interest exists, as instructed on **Attachment 13**, Conflict of Interest Compliance Certificate.

K. Proposal Format and Content Requirements

1. General Instructions

- a. **Each firm or individual may submit only one proposal for each region.** The proposal may apply to the WCRP Northern Region contract, the WCRP Southern Region contract or a proposal for each region may be submitted.

For the purposes of this paragraph, “firm” includes a parent corporation of a firm and any other subsidiary of that parent corporation, any related parties including but not limited to partnerships, S Corporations, Limited Liability Corporations or Professional Limited Liability Corporations. If a firm or individual submits more than one proposal, CDHS will reject all proposals submitted by that firm or individual.

A firm or individual proposing to act as a prime contractor may be named as a subcontractor in another Proposers proposal. Similarly, more than one Proposer may use the same subcontractors and/or independent consultants.

- b. **If bidding on both regions, a proposal for each region must be submitted.** Differences between the WCRP Northern and Southern regions may or may not exist. Each proposal must be a stand alone document/presentation. All attachments, signatures, required documentation or any other required submission must be provided with each proposal submitted.
- c. Proposers should clearly identify all proposal submission as to the region to which it attaches.
- d. Bid proposals for the Northern and Southern Regions **MUST BE SUBMITTED SEPARATELY** for each region (**Attachment 16**).
- e. Develop proposals by following all RFP instructions and/or clarifications issued by CDHS in the form of question and answer notices, clarification notices, Administrative Bulletins or RFP addenda.
- f. Before submitting your proposal, seek timely written clarification of any requirements or instructions that you believe to be vague, unclear or that you do not fully understand.

- g. In preparing your proposal response, all narrative portions should be straightforward, detailed and precise. CDHS will determine the responsiveness of a proposal by its quality, not its volume, packaging or colored displays.
- h. Arrange for the timely delivery of your proposal package(s) to the address specified in this RFP. Do not wait until shortly before the deadline to submit your proposal.

2. Format Requirements

- a. Submit one (1) original proposal and three (3) copies or sets and one (1) copy on CD-R in any CDHS standard platform (i.e. Word, Excel and Adobe) for each region bid.
 - 1) Write “**Original**” on the original proposal set.
 - 2) Each proposal set must be complete with a copy of all required attachments and documentation.
- b. Format the narrative portions of the proposal as follows:
 - 1) Use one-inch margins at the top, bottom and both sides.
 - 2) Use a font size of not less than 11 points.
 - 3) Print pages single-sided on white bond paper.
 - 4) Sequentially paginate the pages in each section or as a body of work. It is not necessary to paginate items in the Forms Section or Appendix Section.
- c. Bind each proposal set in a way that enables easy page removal. Loose leaf or three-ring binders are acceptable.
- d. All RFP attachments that require a signature must be signed in ink, preferably in a color other than black.
 - 1) Have a person who is authorized to bind the proposing firm sign each RFP attachment that requires a signature. Signature stamps are not acceptable.
 - 2) Place the original signed attachments in the proposal set marked “Original.” Copies of the “Original RFP Attachments” may be used in the copies RFP sets.
 - 3) The RFP attachments and other documentation placed in the extra proposal sets may reflect photocopied signatures.
 - 4) For the CD-R copy: any document requiring a signature or any document that cannot be electronically copied should be scanned and placed on the CD as a PDF file.
- e. Do not mark any portion of your proposal response, any RFP attachment or other item of required documentation as “Confidential” or “Proprietary.” CDHS will disregard any language purporting to render all or portions of a proposal confidential.

3. Content Requirements

This section specifies the order and content of each proposal. Assemble the materials in each proposal set in the following order:

a. Proposal Cover Page

A person authorized to bind the Proposer must sign the Proposal Cover Page **(Attachment 1)**. If the Proposer is a corporation, a person authorized by the Board of Directors to sign on behalf of the Board must sign the Proposal Cover Page.

b. Table of Contents

Properly identify each section and the contents therein. Paginate all items in each section with the exception of those items placed in the Forms Section and Appendix Section.

c. Executive Summary Section

This section must not exceed five (5) pages in length. Evaluators may not review or evaluate excess pages.

In preparing your Executive Summary, do not simply restate or paraphrase information in this RFP. Describe or demonstrate, in your own words, the following information.

- 1) Your understanding of CDHS' needs and the importance of this project.
- 2) The tangible results that you expect to achieve.
- 3) Your firm's sincere commitment to perform the Scope of Work in an efficient and timely manner.
- 4) How you will effectively integrate this project into your firm's current obligations and existing workload.
- 5) Why your firm should be chosen to undertake this work at this time.
- 6) An attestation that this contract will be high priority to the Proposer and that the Proposer is committed to supplying any necessary resources to meet the contractual obligations.
- 7) A description of all resources available to support the Proposer's performance of all obligations under contract, including the full performance by any subcontractors.
- 8) Proposer's commitment to discover, identify, develop and produce Medi-Cal case recoveries.
- 9) The priority this contract will have among the range of activities and projects conducted by the Proposer.
- 10) If the Proposer is a subsidiary organization, the attestation of the parent organization that this contract will be a high priority to the parent organization and that the parent organization is committed to supplying any necessary resources to assure full performance of the contract.

d. Agency Capability Section

- 1) Include a brief history of your firm, including:
 - a) Date of establishment. If applicable, explain any changes in your business history or organizational structure that will assist CDHS in determining your

qualifications.

- b) A description of your firm's goals that are relevant, closely related or will complement this project.
- 2) Describe the experience that qualifies your firm to undertake this project. At a minimum, demonstrate your firm's history of three consecutive years of experience of the types listed in this section. All experience must have occurred within the past five years. It is possible to attain the experience types listed below during the same time period.

The Proposer must have relevant prior experience, including collection capability and history, similar to the work required by this RFP and which demonstrates the Proposer's ability to perform such work. Such experience may consist of a combination of experience either by the Proposer or by a parent corporation of the Proposer or the relevant work experience of a subcontractor. If the prior experience and demonstrated ability requirements are to be met by the experience of subcontractors, documentation of the subcontractors' experience and ability must be formally submitted and accepted as part of the Proposer's narrative proposal. Consideration will be given to the development, modification and/or operation of any recovery program with particular emphasis on:

- Workers' Compensation Recovery Programs
- Medicaid Contracts
- Medi-Cal Contracts
- Government Contracts
- Other Third Party Liability Recovery Programs

- 3) Briefly, describe the accounts or work projects begun and/or completed in the past three years that involved services similar in nature or closely related to the Scope of Work in this RFP. For each account or project listed, include the following information:
 - a) Name of agency or firm for whom services were performed.
 - b) Duration or length of the project.
 - c) Total recovery cost or value of the project.
 - d) Indicate if the account or project is "active/open" or "closed/settled."
 - e) Describe briefly the type and nature of the services you performed, including the volume of Workers' Compensation recovery type of cases handled on an ongoing basis.
- 4) Briefly describe any experience that demonstrates your firm's ability to establish and maintain effective working relationships with government entities, local community based organizations and private nonprofit organizations.
- 5) Identify at least three client references that your firm has serviced in the past five years that can confirm their satisfaction with your services and confirm if your firm provided timely and effective services or deliverables. Use the Proposer References

(Attachment 4) for this purpose. **Place the completed Client References form in the Forms section of your proposal.**

CDHS will contact your references as part of the evaluation. Please be sure your point of contact information for the references are current and the references are prepared to confirm the information provided.

- 6) Proposers must identify any existing projects, Medicaid or Medicare contracts or other obligations that may affect the resources required to fulfill this contract. Describe any foreseeable issues that may arise from existing obligations and this contract with respect to business resources, including personnel and financial resources.

e. Work Plan Section

1) Overview

- a) CDHS is interested in proposals that provide well-organized, comprehensive and technically sound business solutions. Vague explanations will undermine your firm's credibility and will result in reduced proposal scores.
- b) The Work Plan must include an in-depth discussion and description of the methods, approaches and step-by-step actions that will be carried out to fulfill all Scope of Work requirements.
- c) If the nature of a task or function hinders specific delineation of in-depth methods and procedures (e.g., a task is dependent upon a future action or multiple approaches may be used), explain the probable methods, approaches or procedures that you will use to accomplish the task or function.

If, for any reason, the Work Plan does not wholly address each Scope of Work requirement, fully explain each omission.

2) Rejection of Tasks, Activities or Functions

The Proposer may not reject any task, activity or function required by the RFP. Any Proposer that rejects a task, activity or function may be deemed non-responsive and eliminated from further consideration in the procurement process. Acceptance of the contract voids any rejection of task, activity or function the Proposer may assert exists in their proposal.

3) Work Plan Content

- a) Briefly, explain or describe the overall approach and/or methods that you will use to meet the requirements of the Work Plan under the Scope of Work.
- b) Explain why you chose the particular approaches and methods that are proposed (e.g., proven success or past effectiveness, etc.).
- c) If applicable, explain what is unique, creative or innovative about your proposed approaches and/or methods.
- d) If you envision any major complications or delays at any stage of performance, describe those complications or delays and include a proposed strategy for overcoming those issues. Likewise, indicate if you do not anticipate any major complications or delays.

- e) Identify the specific tasks/activities and functions that you will perform in the order you believe they will occur. Include the following in-depth information for each task/activity or function in the Work Plan:
 - i. Indicate who will have primary responsibility for performing each major task/activity or function. If known, identify the name and position title of all key personnel, subcontractors and/or consultants that will perform the work.

If the responsible party is unknown or not yet identified, identify a staff position title or project name/title and indicate "TBD" which is the abbreviation for "to be determined."

- ii. Include a performance time line for each major task/activity or function. Indicate the approximate beginning and ending month and year. If a task/activity or function will only occur in one fiscal period or year, indicate the beginning and ending month and year.

In addition to start and end dates, you may use other terms such as start-up, on-going, continuous, take-over, turnover, etc. to describe the performance time line. In doing so, you must define the meaning of each unique term that you use.

- iii. Explain/describe how you intend to measure or prove successful completion of each major task, function or activity.

If applicable, identify the key events or outcomes that will signify completion or identify tangible items (deliverables) that will result at the conclusion of the various tasks/activities or functions.

f. Management Plan Section

- 1) Describe how you will effectively coordinate, manage and monitor the efforts of the assigned staff, including subcontractors and/or consultants, if any, to ensure that all tasks, activities and functions are completed effectively and in a timely manner.
- 2) Please describe the controls you will use to ensure the timely filings of accurate liens, assessments and other time sensitive documents. Include at a minimum, a brief description of all of the following:
 - a) Your reporting and monitoring capabilities (e.g., spread sheets, automated reports, quality controls, checks and balances, etc.) to ensure critical dates and statutes of limitations are not missed.
 - b) Describe the quarterly and annual aging report(s) you will provide CDHS. Provide at a minimum information on open cases, statutes of limitation, the last action date, next or future action and any other information you will provide to demonstrate an active pursuit of cases. (If possible please provide samples of these report(s) in the appendix of your proposal.)
- 3) Please describe your firm's philosophy and criteria used in determining cases to be pursued. This may or may not include a discussion of effective use of resources, cases or work load, expected dollar recovery, indicator for pursuit.

- 4) Please describe your firm's philosophy and criteria for determining cases that will not be pursued.
- 5) Please describe in detail your system for discovery and identification of potential WCRP cases.
- 6) Please describe in detail how your firm's system creates, tracks and updates Medi-Cal services for liens, thereby maintaining accurate liens.
- 7) Please describe your firm's policies and procedures for a case management system.
- 8) Include an organization chart. Instructions are explained in the Appendix Section of this RFP. **Place the organization chart in the Appendix section of your proposal.**

g. Project Personnel Section

- 1) In this section, describe your proposed staffing plan. In the staffing plan, include at a minimum:
 - a) Identify by name and/or position title, each key staff person that will have the primary responsibility for managing, directing, overseeing and/or coordinating the work of assigned staff, subcontractors and/or independent consultants and who will maintain effective communications with CDHS. (i.e., Contractor's Representative, President, key Information Technology staff, key Accounting and/or Administrative staff).
 - b) Briefly, describe each person's expertise, capabilities and credentials.
 - c) Emphasize any relevant past experience in direction, overseeing, coordinating or managing other government projects.
 - d) Include a resume for each staff person (professional, managerial or supervisory) that will exercise a major administrative, policy or consulting role in carrying out the project work. Place resumes in the Appendix Section. To the extent possible, resumes should not include personal information such as social security number, home address, home telephone number, marital status, sex, birth date, age, etc.
- 2) Briefly, describe the administrative policies or procedures you will use to ensure that you will recruit and select well-qualified, competent and experienced in-house staff, subcontractors and/or independent consultants.
 - a) If employee recruitment/selection policies or procedures are present in an operations manual, you may cite excerpts from such manuals. Do not simply indicate that such policies exist and do not attach copies of any policies or manuals to your proposal. If deemed necessary, CDHS may request copies of your existing manuals or policies.
- 3) Briefly, describe the administrative processes or procedures for producing and maintaining a training manual. Include a description for ongoing training of staff and management.
- 4) A description of all resources available to support the Proposer's performance of all obligations under contract, including the full performance by any subcontractors.

- 5) If subcontractors are included as a part of the Proposer's narrative proposal, the attestation of each subcontractor that this contract is of high priority to the subcontractor and that the subcontractor is committed to supplying any necessary resources to meet contractual obligations.
- 6) Briefly, describe the processes or procedures that you will use to ensure that vacancies are filled expeditiously and that services are continued despite the presence of vacancies.
- 7) Describe any pre-existing or contingent subcontracting arrangements, including name and type of subcontractor and summary of functions that will be subcontracted. Discuss briefly any past or perspective subcontracting arrangements that may be used again on an as needed basis to fulfill the requirements of this contract.
- 8) If the Proposer is a subsidiary of another business entity and the Proposal relies at all on the business experience of that parent entity, the Proposer experience submission requirements of the RFP shall apply to the parent entity. The Proposer shall clearly identify whether the experience discussed is that of the Proposer or the parent entity.
- 9) If subcontractors (including independent consultants) will be used to perform contract services, Proposers must do the following at the time of proposal submission:
 - a) Indicate if you have pre-identified any firms/persons to perform the work or if you will recruit them later.
 - i. For each pre-identified subcontractor and independent consultant include:
 - A. Full legal name.
 - B. A brief description of the major duties and functional responsibilities that you intend to assign to the subcontracted firm or independent consultant.
 - C. A brief explanation as to why you chose the subcontracted firm or independent consultant. Stress things such as applicable skills, knowledge, capabilities, past experience or accomplishments, availability, reasonableness of rates, expertise in a field or specialty, etc.
 - D. A resume for each pre-identified subcontractor and independent consultant. **Place all subcontractor and/or consultant resumes in the Appendix section.** To the extent possible, resumes should not include personal information such as a social security number, home address, home telephone number, marital status, sex, birth date, age, etc.
 - E. A letter of agreement, signed by an official representative of each subcontracted firm or independent consultant. **Place all subcontractor and/or consultant letters of agreement in the Appendix Section.**

Specific subcontractor and/or independent consultant relationships proposed in response to this RFP (i.e., identification of pre-identified subcontractors and independent consultants) shall not be changed during the procurement process or prior to contract execution. The pre-identification of a subcontractor or independent consultant does not affect CDHS' right to approve personnel or staffing selections or changes made after the contract award.

ii. For subcontractors and/or independent consultants that cannot be identified when the proposal is submitted to CDHS or are to be determined after the contract is executed, include:

A. An identification of the functions, activities and responsibilities that you intend to assign to each subcontractor and/or independent consultant.

B. A description of the process that you will use to obtain CDHS approval of each subcontractor and/or independent consultant selection along with approval of their budgeted cost and assigned responsibilities.

h. Bid Section

The Proposer shall provide a percentage of the recovery amounts for which the Proposer will provide the services required by this contract. The percentage paid to the Proposer shall represent full payment for all cost incurred by the Proposer in fulfilling the requirements of this contract.

1) General instructions

a) On the Bid Proposal Form, indicate the percentage of recovered dollars that your firm will accept as full payment for all of the budget periods covered by the resulting contract including any extension contracts that maybe executed. (Please note this is a single bid price covering up to five contract years and can not exceed the statutory limit of 25 percent of the recovered dollars.)

b) This is a contingency based contract, as such CDHS will not reimburse the contractor for expenses incurred in the execution of this contract beyond the agreed upon contingent fee to be paid based on recovered amount as agreed to in the contract. As a contingency based contract, CDHS will not fund:

- i. Any Unit Rates/Cost, if any for each fiscal year
- ii. Personnel Cost
- iii. Fringe Benefits
- iv. Operating Expenses
- v. Equipment Expenses
- vi. Travel Expenses
- vii. Cost Of Litigation
- viii. Indirect Cost
- ix. Any Other Cost

c) All bid forms must be typewritten or completed in ink. Errors, if any, should be crossed out and corrections should be printed in ink or typewritten adjacent to the error. The person who signs the Bid Proposal should initial all corrections, preferably in blue ink.

2) Bid Proposal Submission Requirements

a) Proposers shall submit a Bid Proposal at the same time as their Narrative proposal.

b) The Proposer shall prepare and submit one original Bid Proposal, typewritten or laser printed. The three (3) additional copies of the Bid Proposal may reflect photocopied signatures and initials. The Contractor's Representative, pursuant to the requirements of Delegation of Authority, shall sign the document.

- c) The Bid Proposal(s) and any other material identifying the percentage amount bid must be packaged in a separate package from the Narrative Proposal and be clearly labeled as the Bid Proposal. Also include:
 - i. The Proposer's name
 - ii. The RFP number
 - iii. Region to which the bid applies

3) Recovery Amount

For the purpose of this RFP, the bid proposal is to be expressed as a fixed percentage bid by the Contractor to recover Medi-cal expenditures involving WC and the WCAB on behalf of the State. The Contractor's bid shall be representative of the percentage that will be received for each dollar collected for the State. Specific claim types or recoveries may have reduced recovery rates, as identified by the RFP.

Justification of the proposal bid recovery rate shall be included. The bid recovery rate may not exceed 25 percent, which is the statutory limitation set forth in W&I Code section 14124.83(b). Deviation above this limit shall render a bid proposal non-responsive.

The Proposer's bid recovery rate will remain the same for the duration of the contract and any extension years.

The Proposer shall submit an estimated annual projected recovery amount with the methodology on how the estimate was derived. The Proposer's recoveries will be expected to meet the annual projected \$1.25 million recovery amount beginning with the contract year starting 12/01/08 for both Northern and Southern California regions.

4) Bid Proposal Form

The Proposer shall submit the completed Bid Proposal Form, Attachment 16, for each region being bid.

- a) Enter the percentage of the Medi-Cal recovered dollars you will accept as full payment for all services provided on the Proposer's Bid Recovery Rate Attachment. The Proposer's Bid Recovery Rate is representative of the fixed percentage the Proposer will receive for each dollar collected. The cost recovery rate can not exceed 25 percent. Any response in which the Bid Proposal exceeds 25 percent shall be deemed non-responsive.
- b) A different bid proposal rate for each region may be offered by the same bidder, if bidding on both regions.
- c) If claiming preference for a small business, non small business subcontractor or microbusiness indicate by checking the box marked "Yes" and include substantiation as appropriate. If not applicable, indicate by checking the box marked "No."
- d) If claiming Target Area Contract Preference (TACP), indicate "Yes" and attach appropriate documentation. If not applicable, indicate "No."
- e) If claiming an Enterprise Zone Act preference (EZA), indicate "Yes" and attach appropriate documentation. If not applicable, indicate "No."

f) Sign and print name, title and date accordingly.

5) Financial Stability and Guaranty Provisions Plan

a) Financial Stability

To safeguard the interest of the State and in order to insure that a Proposer has the financial wherewithal to conduct this contract, the Proposer shall supply the following information, as appropriate:

- 1) The Proposer shall submit a Financial Stability Plan incorporating the following data for the past two corporate fiscal years of the Proposer and the interim period from the end of the last full fiscal year up to and including the date specified for submission of narrative proposals.

If the Proposer is a subsidiary of any other legal entity and the financial resources of the Parent Corporation are required to qualify the subsidiary for competition under this procurement, the financial stability submission requirements for this section shall apply to the Parent Corporation.

Audited statements are preferred, but not required. CDHS will accept financial statements prepared by your financial accounting department, accounting firm or an auditing firm. A statement signed by your Chief Financial Officer certifying that the financial statements are accurate and complete must accompany all financial statements. Unaudited financial statements may not be used to qualify under Sec. h.5)a)2), below.

- A. A Proposer's annual financial statements for the last two fiscal years, accompanied by an independent certified public accountant's report, certificate or Opinion Statement.
- B. Public interim financial statements for the interim period from the end of the last full fiscal year up to and including the month prior to submission of narrative proposals. The State does not require submittal of interim statements for the last three fiscal years for which annual reports are submitted.
- C. A projected pro forma financial statement and statement of changes in financial position for the next three years predicted upon operation without the award of this contract.
- D. A detailed financial plan and proposed cash flow budget demonstrating the availability and source of sufficient funds to cover the Proposer's projected operation cost without risk of insolvency were the Proposer to provide the contractual services under the contract period.
- E. All financial data submitted in the Financial Stability and Guaranty Provisions Plan in connection with this RFP shall be accompanied by a signed statement from the Proposer's or parent corporation's chief executive officer and chief financial officer or Contractor's Representative, certifying that the data is current, accurate and complete.
- F. Proposers must include an organization history of claims of bankruptcy, receivership, questioned cost, repayment of funds, failure to fulfill

contract and criminal or civil legal actions that name the organization or administrative/supervisory staff, that have occurred during the past five years. If you supply audited financial statements, all noted audit exceptions must be explained.

2) In lieu of the above, section h.5)a)1) A.-F., a Proposer may provide the following:

A. Proposer may submit the two most recent annual certified financial statements, accompanied by an independent certified public accountant's Unqualified Audit Report or Opinion Statement (Unqualified/Clean Opinion).

B. Proposer must include an organization history of claims of bankruptcy, receivership, questioned cost, repayment of funds, failure to fulfill contract and criminal or civil legal actions that name the organization or administrative/supervisory staff, that have occurred during the past five years. Any noted audit exceptions of your audited financial statements must be explained.

C. And having either:

Capital contributions and retained earnings equal to an amount greater than \$10,000,000 (ten million dollars), as identified in the annual financial statements.

Or

Have assets under control, greater than \$25,000,000 (twenty-five million dollars), as identified in the annual financial statements.

b) **Guaranty Provisions**

If the Proposer is a subsidiary of another organization, the Proposer must submit a guaranty from that organization in the Proposer's chain of ownership, which is publicly traded. If no such parent organization is publicly traded, the guaranty shall be submitted by a parent organization at a level in the chain of ownership, which is acceptable to the State. The guaranty shall be in a form satisfactory to the State and shall provide for the full and prompt performance of all covenants, terms and conditions and agreements resulting from this RFP throughout the term of the contract. The guaranty shall meet the requirements of the Guaranty Provisions.

i. **Start-Up/Take-Over Plan**

Describe an initial overall plan and/or approach for coordinating and assimilating the existing activities from the current contractor. Address any foreseeable transition complications and potential methods for dealing with or resolving transition complications to minimize the disruption of existing services. Proposers must submit a finalized take-over plan to the State for approval within thirty (30) days after the contract start date.

j. **Appendix Section**

Place the following documentation in the Appendix Section of your proposal in the order shown below.

1) Proof of Corporate Status

If the Proposer is a Corporation, submit a copy of your firm's most current Certificate of Status issued by State of California, Office of the Secretary of State or submit downloaded copy of the proposing firm's on-line States information from the California Business Portal Website of the California office of the Secretary of State. Submit an explanation if you cannot submit this documentation. Unless otherwise specified, do not submit copies of your firm's Bylaws or Articles of Incorporation.

2) Proof of Nonprofit Status

If the Proposer is a Nonprofit Organization, please provide information supporting legal eligible to claim "nonprofit" and/or tax-exempt status by submitting a copy of an IRS determination letter indicating nonprofit or 501(c)(3) tax-exempt status. Submit an explanation if you cannot supply this documentation.

3) An Organizational Chart

The organizational chart must show the lines of authority and reporting relationships within your organization including the relationship between management and subcontractors and/or independent consultants, if any.

4) Financial Statements

Submit copies of financial statements as required under section h.5) Financial Stability and Guaranty Provisions Plan for the years, as required.

5) Staff Resumes

Submit a resume for each key staff member, as discussed in the Project Personnel Section.

6) Subcontractor/Consultant Resumes

Submit a resume for each pre-identified subcontractor or independent consultant, if any, as discussed in the Project Personnel Section.

7) Subcontractor/Consultant Letters of Agreement

For each pre-identified subcontractor and independent consultant that will be used to perform services under the resulting contract, submit a letter of agreement to work on this project.

A letter of agreement must be signed by an official representative of each subcontracted firm or independent consultant, indicating his or her acknowledgement of being named as a subcontractor or consultant, their availability to work on this project and acknowledgement that they have read or been made aware of the proposed contract terms, conditions and exhibits. Include an explanation if you cannot obtain a letter of agreement from each pre-identified subcontractor and consultant and indicate when a letter of agreement will be forthcoming.

8) Conflict of Interest Compliance Certificate

- a) Any firm contracting with the CDHS is required to provide a statement addressing any conflict of interest or potential conflict of interest as described in Conflict of Interest Compliance Certificate **Attachment 13**.
- b) Any of the following instances would be considered a potential “conflict of interest,” including, but not limited to any instance in the past, present or future:
 - i) Where pursuant to the Political Reform Act (GC section 87100-87500), a CDHS official has an economic Interest in the Contractor and the official makes, participates in the making of or uses his or her official position to influence the making of a decision involving Contractor, where it is reasonably foreseeable that the decision could materially affect the officials economic interest.
 - ii) Where pursuant to GC section 1090 et seq., a CDHS official participates in the making of a contract with Contractor and the official has a financial interest in the contract.
- c) Any firm that intends to submit a proposal is required to submit **Attachment 13** certifying that the proposing firm, any employee, officer, director subcontractors.
 - i) Does not hold a position of interest, financial or otherwise, which would allow the use or disclosure of information obtained while performing the contract for private or personal benefit.
 - ii) Will not obtain or use any information for purposes that are contrary to the goals and objectives of the contract.
 - iii) Understands that the conflict of interest requirements shall remain in effect for the entire term of the resulting agreement.
- d) If the State is aware or becomes aware of a known or suspected conflict of interest, the Contractor will be given an opportunity to submit additional information to resolve the conflict. A Proposer or Contractor with a suspected conflict of interest will have five (5) working days from the date of notification of the conflict by the State to provide complete information regarding the suspected conflict. If a conflict of interest is determined to exist by the State and the conflict cannot be resolved or mitigated to the satisfaction of State, before or after the award of the contract, the conflict will be grounds for rejection of the proposal or termination for default of the contract.
- e) The term “Interest” for purposes of conflict of interest shall include any ownership of a partnership, S Corporation, Limited Liability Corporation or Interest or ownership of stock in closely held corporation which holds an ownership position in a conflicting corporation. An “Interest” shall also be evidenced by any loan; corporate, personal, secured or unsecured, between a conflicting entity or its affiliates and a party or related party to this contract.
- f) The term "Contractor" for purposes of conflict of interest includes the Proposer/Contractor and Subcontractors, including the employees, officers and directors of these entities.

The term "Subcontractor" for purposes of conflict of interest is limited to those individuals or entities who contract with the Contractor/Proposer to perform any

part of the Scope of Work in RFP section I.

- g) Any form of ownership or Interest held through the ownership of a publicly traded mutual fund shall not be deemed a conflict of interest solely on the basis mutual fund ownership.
- h) If a conflict of interest is determined to exist that cannot be resolved to the satisfaction of CDHS, before the award of the contract, the conflict will be grounds for deeming a proposal non-responsive.
- i) Proposers must assess their own situation according to the Conflict of Interest Compliance Certification information in **Attachment 13**. Complete, sign and attach any required documentation according to the instructions on the attachment. **Place Attachment 13 and any accompanying documentation in the Appendix Section of your proposal.**

k. Forms Section

When completing this section, do not

- Alter the information supplied or the order of the RFP attachments.
- Add items that the Proposer has been instructed to submit in a different part of the proposal response (i.e., Letter of Intent, Work Plans, Bid sheets, etc).

The “Voluntary Letter of Intent” and “Mandatory Request for Inclusion on Mailing List” letters, if submitted, are to be submitted in accordance with the directions in RFP section H, entitled “Voluntary Letters.”

Complete, sign and include the forms/attachments listed below as instructed or required. When completing the attachments, follow the instructions in this section and any instructions appearing on the attachment. After completing and signing the applicable attachments, assemble them in the order shown below.

Attachment and/or Documentation	Instructions
2 - Required Attachment / Certification Checklist	<p>Check each item with “Yes,” “No” or “N/A,” as applicable and sign the form. If necessary, explain your responses.</p> <p>If a Proposer marks “Yes,” “No” or “N/A” and makes any notation on the checklist and/or attaches an explanation to the checklist to clarify their choice, CDHS considers this a “qualified response.” Any “qualified response,” determined by CDHS to be unsatisfactory or insufficient to meet a requirement, may cause a proposal to be deemed non-responsive.</p>
3 - Business Information Sheet	Completion of the form is self-explanatory.

Attachment and/or Documentation	Instructions
4 – Client References	Identify three (3) clients you have serviced within the past five years that can confirm their satisfaction with your services and confirm if your firm provided timely and effective services or deliverables. If possible, identify clients whose needs were similar in scope and nature to the services sought in this RFP. List the most recent first.
5 - RFP Clause Certification	Complete and sign this form indicating your willingness and ability to comply with the contract certification clauses appearing in the RFP section entitled, "Bid Requirements and Information," subsection "Bidding Certification Causes."
6 - CCC 307 - Certification	Complete and sign this form indicating your willingness and ability to comply with the Contractor Certification Clauses appearing in this Attachment.
7 - Payee Data Record	Complete and return this form, only if you have not previously entered a contract with CDHS. If uncertain, complete and return the form.
8 Follow-on Consultant Contract Disclosure	Complete and sign this form. If applicable, attach to this form the appropriate disclosure information.
9 - DVBE Instruction /Forms 9a - Actual DVBE Participation and applicable DVBE certification(s) and/or 9b - Good Faith Effort with required documentation	Read and carefully follow the completion instructions in Attachment 9. Attach the documentation that is required for the form(s) you choose to submit. One and/or both of these two forms may be required.

Attachment and/or Documentation	Instructions
10- Non-Small Business Subcontractor Preference Instructions 10a- Non-Small Business Subcontractor Preference Request 10b- Small Business Subcontractor/ Supplier Acknowledgement	Submission of these forms is optional. Read and carefully follow the completion instructions in Attachments 10, 10a, and 10b. Complete and return Attachments 10a and 10b <u>only</u> if the bidding firm is a not a certified small business but is requesting a subcontractor bidding preference by committing to use one or more certified small business subcontractors for an amount equal to at least 25% of the total bid price.
11 -Target Area Contract Preference Act (TACPA) Request	Submission of this form is optional. Complete and return this form, <u>only</u> if the proposing firm is based in California, <u>and</u> the total bid price is \$100,000 or more, <u>and</u> CDHS has not pre-set any part of the work location, <u>and</u> the Proposer wishes to apply for TACPA preference.
12-Enterprise Zone Act (EZA) Preference Request	Submission of this form is optional. Complete and return this form, <u>only</u> if the proposing firm is based in California, <u>and</u> the total bid price is \$100,000 or more, <u>and</u> CDHS has not pre-set any part of the work location, <u>and</u> the Proposer wishes to apply for EZA preference.
13-Conflict of Interest Compliance Certificate	Completion of this form is self-explanatory.
16- Bid Proposal Form	Separate sealed packaging is required, see section K.3.h.4) for details. Completion of this form is self-explanatory.

L. Proposal Submission

1. General Instructions

- a. Assemble an original and three (3) copies of the Narrative proposal for shipment.

Assemble the bid proposal and the CD-R version of your proposal to be packed in a separately sealed package from the Narrative proposal. Clearly mark the package or envelope "Bid proposal RFP # 07-65000 and the Proposer Name" The Bid proposal may be shipped with/in the Narrative proposal shipping box **but must be in a separate and sealed package from the Narrative proposals.**

- b. Place all proposal copies in a single envelope or package, if possible. Seal the envelope or package.

If you submit more than one envelope or package, carefully label each one as instructed below and mark on the outside of each envelope or package "1 of X," "2 of X," etc.

- c. Mail or arrange for hand delivery of your proposal to CDHS, OMCP. **Proposals may not be transmitted electronically by fax or e-mail.**
- d. The OMCP must receive your proposal, regardless of postmark or method of delivery, by **4:00 p.m. Monday, August 6, 2007.** Late proposals will not be reviewed or scored.
- e. Label and submit your proposal using one of the following methods.

Hand Delivery or Overnight Express:	U.S. Mail:
Proposal RFP 07-65000 California Department of Health Services Office of Medi-Cal Procurement Workers' Compensation Recovery Program MS 4200 1501 Capitol Ave., Suite 71.3041 Sacramento, CA 95814-5005	Proposal RFP 07-65000 California Department of Health Services Office of Medi-Cal Procurement Workers' Compensation Recovery Program MS 4200 P.O. Box 997413 Sacramento, CA 95899-7413

Proposer Warning

- a. CDHS' internal processing of U.S. mail may add 48 hours or more to the delivery time. If you mail your proposal, consider using certified or express mail and request a receipt upon delivery. If you choose hand delivery, allow sufficient time to locate parking and to sign in at the security desk.
- b. For hand deliveries, allow sufficient time to locate on-street metered parking and to sign in at the security desk. When stopped at the security desk, ask security personnel to call Nathan Greve or Robert Marlow at (916) 552-8006 to arrange for proposal delivery and receipt issuance by OMCP staff.

2. Proof of Timely Receipt

CDHS staff will log and attach a date/time stamped slip or bid receipt to each proposal package/envelope received. If a proposal envelope or package is hand delivered, CDHS staff will give a bid receipt to the hand carrier upon request.

To be timely, OMCP must receive the proposals at the stated delivery address no later than 4:00 p.m. on the proposal submission due date. Neither delivery to CDHS' mailroom or a U.S. postmark will serve as proof of timely delivery.

CDHS will deem late proposals non-responsive.

3. Proposer Cost

Proposers are responsible for all cost of developing and submitting a proposal. Such cost cannot be charged to CDHS or included in any cost element of a Proposer's bid offering.

M. Evaluation and Selection

A multiple stage evaluation process will be used to review and/or score narrative proposals. CDHS shall reject any proposal that is deemed to be nonresponsive, at any stage of evaluation.

A separate evaluation committee will be used for all stages during the evaluation and selection process. The evaluation committee is comprised of four groups:

The **Preliminary Review Committee (PRC)** consists of team leads from OMCP and Third Party Liability Branch and conducts the Stage 1 review.

The **Evaluation Scoring Committee (ESC)** consists of Third Party Liability staff and CDHS staff working in other areas of the Medi-Cal program. The ESC conducts the review of the proposals.

The **Rating Review Committee (RRC)** consists of OMCP management staff and members of the PRC. The RRC will interact with the ESC throughout the evaluation process.

The **Executive Review Committee (ERC)** consists of CDHS management officials. The ERC may, at the members' discretion, review evaluation and selection processes and recommended scores for each proposal throughout the procurement process. The review is to assure all appropriate processes have been followed. Additionally, the ERC may seek independent review or advice from individuals within the CDHS or elsewhere regarding procurement policy matters, narrative and/or rate proposal deficiencies, and acceptability.

1. Stage 1 – Required Attachment/Certification Checklist Review

- a. Shortly after the proposal submission deadline, members of the RRC staff or designed OMCP staff will convene to review each proposal for timeliness, completeness and initial responsiveness to the RFP requirements. This is a pass/fail evaluation.
- b. In this review stage, CDHS will compare the contents of each proposal to the claims made by the Proposer on the Required Attachment/Certification Checklist to determine if the Proposers claims are accurate.
- c. If deemed necessary, CDHS may collect additional documentation (i.e., missing forms,
- d. Missing data from RFP attachments, missing signatures, etc.) from a Proposer to confirm the claims made on the Required Attachment/Certification Checklist and to ensure that the proposal is initially responsive to the RFP requirements.
- e. If a Proposer's claims on the Required Attachment/Certification Checklist cannot be proven or substantiated, the proposal may be deemed non-responsive and rejected from further consideration.

2. Stage 2 –Narrative Proposal Evaluation/Scoring

Proposals that appear to meet the basic format requirements, initial qualification requirements and contain the required documentation, as evidenced by passing the Stage 1 review, will be submitted to the ESC.

The raters will individually and/or as a team review, evaluate and numerically score proposals based on the proposal's adequacy, thoroughness and the degree to which it complies with the RFP requirements.

- a. In assigning points for individual rating factors, raters may consider issues including, but not limited to, the extent to which a proposal response:
 - 1) Is lacking information, lacking depth or breadth or lacking significant facts and/or details and/or
 - 2) Is fully developed, comprehensive and has few if any weaknesses, defects or deficiencies and/or

- 3) Demonstrates that the Proposer understands CDHS' needs, the services sought and/or the contractor's responsibilities and/or
- 4) Illustrates the Proposer's capability to perform all services and meet all Scope of Work requirements and/or
- 5) If implemented, will contribute to the achievement of CDHS' goals and objectives and/or
- 6) Demonstrates the Proposer's capacity, capability and/or commitment to exceed regular service needs (i.e., enhanced features, approaches or methods; creative or innovative business solutions).

b. Below are the point values for each rating category that will be scored.

- 1) Proposal questions will be scored on a scale of 0 to 4 points and weighted as follows:

<u>Rating Category</u>	<u>Points</u>	<u>X</u>	<u>Weight</u>	<u>=</u>	<u>Total</u>
Executive Summary	20	X	0.3	=	6.00
Agency Capability	16	X	1.4	=	22.40
Work Plan	28	X	0.5	=	14.00
Management Plan	24	X	0.6	=	14.40
Project Personnel	12	X	1.8	=	21.60
Startup/Takeover	20	X	0.3	=	6.00
Scope of Work	52	X	1.1	=	<u>57.20</u>

Narrative Points Available 141.60

Proposals, excluding the Bid Proposal, will be scored on a scale of 0 to 4 points, as follows:

Points	Interpretation	General basis for point assignment
0	Inadequate	Proposal response (i.e., content and/or explanation offered) is inadequate or does not meet CDHS' needs/requirements or expectations. The omission(s), flaw(s) or defect(s) are significant and unacceptable.
1	Barely Adequate	Proposal response (i.e., content and/or explanation offered) is barely adequate or barely meets CDHS' needs/requirements or expectations. The omission(s), flaw(s) or defect(s), may be consequential but are acceptable.
2	Adequate	Proposal response (i.e., content and/or explanation offered) is adequate or meets CDHS' needs/requirements or expectations. The omission(s), flaw(s) or defect(s), if any, are inconsequential and acceptable.
3	More than Adequate	Proposal response (i.e., content and/or explanation offered) is more than adequate or fully meets CDHS' needs/requirements or expectations.

Points	Interpretation	General basis for point assignment
4	Excellent or Outstanding	Proposal response (i.e., content and/or explanation offered) is well above average or exceeds CDHS' needs/requirements or expectations. Proposer offers one or more enhancing features, methods or approaches that will enable performance to exceed CDHS' basic expectations.

3. Stage 3 – Scoring the Bid Section

a. After Completing Stage 2

After the completion of all the Narrative reviews and the acceptance of all the narrative scores by the ERC, the bid proposals shall be opened.

- 1) Proposers that have met the requirements of stage 2 will have the Bid section of their proposal scored and/or evaluated according to the process described herein:
- 2) Review of the Bid Proposal for completeness and compliance with RFP instructions. **Submission of a complete bid proposal in the State's prescribed format is mandatory.** If a Proposer fails to comply, the bid proposal may be determined non-responsive. Errors in bids will be handled in the manner prescribed below in sub section c.

b. Scoring Calculation

There are 62.00 points available for the bid evaluation. Points are awarded based on the recovery percentage bid by each Proposer. The points are determined by taking the lowest recovery percentage bid as the numerator and the Proposer's recovery percentage bid as the denominator, rounded to at least 4 (four) decimal places then multiplying the resulting percent times the total points available. (Note the final score is rounded to 2 places.)

c. Example

Below is an example for three Proposers offering three different bid rates:

- 1) Proposer A bids 10%, Proposer B bids 12% and Proposer C bids 15%
- 2) 62.00 points are available for the lowest bidder.
- 3) Proposer A's points are calculated as $10\% \div 10\% = 100\%$ X 62.00 Points for Total Points of 62.0000 points for the bid section.
- 4) Proposer B's points are calculated as $10\% \div 12\% = 83.33\%$ X 62.00 Points for Total Points of 51.6667 points for the bid section.
- 5) Proposer C's points are calculated as $10\% \div 15\% = 66.67\%$ X 62.00 Points for Total Points of 41.3333 points for the bid section.

d. Errors in the Bid Proposal Response

If discrepancies between sections, arithmetic or transposition errors are identified in a submitted bid proposal, the State may, at its option, retain the bid proposal and correct any said errors by interpreting the bid proposals as follows:

The lowest level of detail will prevail in any discrepancy. In any case, when summary totals do not correspond with the arithmetic of the component parts, the component parts shall prevail.

If the re-computations or interpretations applied above result in significant changes in the money to be paid to a Contractor, the affected Proposers will be notified prior to contract award.

4. Stage 4 – Combining Narrative Proposal Score and Bid Section Score

CDHS will combine the Narrative proposal score with the Bid section score for each Proposer and will tentatively identify the firm with the highest combined proposal score.

5. Stage 5 – Adjustments to Score Calculations for Bidding Preferences

- a. CDHS will determine which firms, if any, are eligible to receive a bidding preference (i.e., small business, non-small business subcontractor preference, TACPA and/or EZA).
- b. To confirm the identity of the highest scored responsible Proposer, CDHS will adjust the total proposal bid for applicable claimed preference(s) and will readjust the bid score of those Proposers eligible for bidding preferences. CDHS will apply preference adjustments to eligible Proposers according to State regulations following verification of eligibility with DGS. More information about the allowable bidding preferences appears in the RFP section entitled, "Preference Programs."

6. Stage 6 – Final Score Calculation

CDHS will use the formula shown below to calculate final proposal scores and to determine the highest scored proposal.

	Final Score	Maximum Score	Proposer's Score
.	Narrative Score	141.60	
+	<u>Cost Score</u>	<u>62.00</u>	
	<u>Total Point Score</u>	<u>203.60</u>	

The contract will be awarded to the responsive and responsible Proposer with the highest total point score received when the numeric scores of the Narrative proposal and the Bid proposal are combined, including non-small business subcontractor, Small Business, EZA and TACPA preference points, if applicable. In the event that two Proposers receive the same total combined score, CDHS shall award the contract to the Proposer with the highest narrative proposal score. If any tied Proposer has claimed a preference, then statutes regarding ties when preferences are present shall prevail.

N. Narrative Proposal Rating Factors

Raters will use the following criteria to score the narrative portion of each proposal.

1. Executive Summary

Executive Summary Rating Factors [Not to exceed 5 pages]	Points Possible	Points Earned
<p>1. To what extent did the Proposer express, in its own words, its understanding of CDHS' needs and the importance of this project?</p> <p>Assign 1 point or 0 points if the Proposer restates or paraphrases information in the RFP.</p>	4	
<p>2. To what extent did the Proposer demonstrate the tangible results that it expects to achieve?</p> <p>Assign 1 point or 0 points if the Proposer restates or paraphrases information in the RFP.</p>	4	
<p>3. To what extent did the Proposer express a sincere commitment to perform this work in an efficient and timely manner?</p>	4	
<p>4. To what extent did the Proposer demonstrate that it can effectively integrate this project into its current obligations and existing workload?</p>	4	
<p>5. To what extent did the Proposer adequately explain why it should be chosen to undertake this project at this time?</p>	4	
Executive Summary Score Maximum 20 Points Earned X .3 Weight = 6.00		

2. Agency Capability

Agency Capability Rating Factors	Points Possible	Points Earned
<p>6. To what extent does the Proposer demonstrate the capability and experience necessary to fulfill all tasks/deliverables detailed in the Scope of Work?</p> <p><u>Considerations</u></p> <p>Does the Proposer have:</p> <ul style="list-style-type: none"> a. Previous Workers' Compensation Appeals Board contract recovery experience? b. Medi-Cal contract experience? c. Medicaid contract experience? d. Government contract experience? e. Third Party Liability recovery experience? 	4	
<p>7. To what extent does the Proposer's accounts or work projects begun and/or completed in the past three years that involved services similar in nature or closely related to the Scope of Work in this RFP, match or support the goals or purposes of this RFP?</p>	4	

Agency Capability Rating Factors	Points Possible	Points Earned
8. To what extent did the Proposer's prior clients, as a whole, confirm their satisfaction with the Proposer's past work and did those clients indicate that they would use the Proposer's services again?	4	
9. To what extent did the Proposer's prior clients confirm the Proposer's ability to deliver timely and effective services and deliverables?	4	
Agency Capability Score Maximum 16 Points Earned X 1.4 Weight = 22.4		

3. Work Plan

Work Plan Rating Factors	Points Possible	Points Earned
10. To what extent are the Proposers overall approaches and/or methods comprehensive and/or technically sound?	4	
11. To what extent did the Proposer offer a rational basis for choosing its particular approaches and methods (i.e., proven success or past effectiveness)?	4	
12. To what extent does the Proposer successfully describe in detail the specific actions (i.e., tasks/activities and functions) to show the Proposer can and fulfill all Scope of Work requirements?	4	
13. To what extent will the Proposer perform the tasks/activities and functions in a logical order?	4	
14. To what extent are the proposed performance timelines realistic and achievable?	4	
15. To what extent did the Proposer adequately demonstrate how it will measure and/or prove the completion of major tasks/activities (i.e., identification of key events/outcomes or deliverables)?	4	
16. To what extent does the Proposer identify staff who will have primary responsibility for performing each major task/activity for each function?	4	
Work Plan Score Maximum Points Earned 28 X .50 Weight = 14		

4. Management Plan

Management Plan Rating Factors	Points Possible	Points Earned
17. To what extent has the Proposer demonstrated its capability to effectively coordinate, manage and monitor the efforts of assigned staff (including subcontractors and consultants) to ensure that work is effectively completed and timely?	4	
18. To what extent has the Proposer demonstrated its capability to effectively control and ensure the timely filings of accurate liens, assessments and other time sensitive documents?	4	
19. To what extent does the Proposer's described philosophy and criteria used in determining cases to be pursued or not pursued, meet the objective of maximum recovery?	4	
20. To what extent does the Proposer's described system for discovery and identification of potential WCRP cases appear reasonable and effective?	4	
21. To what extent does the Proposer's described system for creating, tracking and updating Medi-Cal services for liens, thereby maintaining accurate liens appear reasonable and effective?	4	
22. To what extent do the Proposer's policies and procedures for a case management system appear effective and reasonable?	4	
Management Plan Score		Maximum Points 24 Earned X .6 Weight = 14.4

5. Project Personnel

Project Personnel Rating Factors	Points Possible	Points Earned
23. To what extent has the Proposer identified each key staff person assigned to managing, directing, overseeing and/or coordinating the work of assigned staff, subcontractors and/or independent consultants and who will maintain effective communications with C 24. DHS? Consider each person's expertise, capabilities and credentials.	4	
25. Rate the Proposer's administrative policies or procedures to recruit and select well-qualified, competent and experienced staff. Has the Proposer ensured that vacancies will be filled expeditiously to continue services?	4	

Project Personnel Rating Factors	Points Possible	Points Earned
<p>26. To what extent does the Proposer's description of their training manual and training process ensure that the Scope of Work requirements would be achieved?</p> <p><u>Considerations</u></p> <p>Does the Proposer have or plan to develop:</p> <ul style="list-style-type: none"> a. a training manual; b. is there an effective plan to maintain a well trained staff? 	4	
Project Personnel Score Maximum Points 12 Earned X 1.8 Weight = 21.6		

6. Start-Up/Take-Over

Start-Up/Take-Over Plan Rating Factors	Points Possible	Points Earned
7. To what extent does the Start-Up/Take-Over Plan identify how and when the automated systems will be developed, tested and implemented? Systems include accounting functions, Electronic Data Exchange (EDEX) System, WCAB matches with the Department of Industrial Relations (DIR), Medi-Cal Eligibility Data System MEDS access, etc.	4	
8. To what extent does the Take-Over Plan detail how the systems will support electronic data matches, data collection, recovery and identification data and the Medi-Cal claims management and accounting functions?	4	
9. To what extent does the plan define the step-by-step approach for the Proposer to successfully complete the entire start-up functions?	4	
10. To what extent does the plan include all start-up deliverables as required in the RFP?	4	
11. To what extent does the plan address foreseeable difficulties in transition to minimize the disruption of existing services and offer methods that resolve and/or avoid any problems that may occur?	4	
Start-Up/Take-Over Maximum Points 20 Earned X 0.3 Weight = 6.00 Score		

7. Scope of Work

Scope of Work	Points Possible	Points Earned
<p>32. To what extent has the Proposer described the capability to develop an effective and efficient case management system to administer the Medi-Cal WCRP?</p> <p><u>Considerations</u> Does the Proposer:</p> <ul style="list-style-type: none"> a. Have a basic knowledge of the major RFP requirements? b. Understand the nature of the work? c. Have a knowledge and understanding of workload management? d. Have controls to measure effectiveness and efficiency of systems? e. Have the necessary resources to perform the requirements of this RFP? 	4	
<p>33. To what extent does the Proposer give a comprehensive detailed description of its capability to develop policies and procedures for the case management systems?</p> <p><u>Considerations</u> Do the Proposer's policies and procedures:</p> <ul style="list-style-type: none"> a. Correspond with the proposed case management system? b. Sufficiently identify and detail each phase of the case management system? 	4	
<p>34. To what extent does the Proposer's case management system demonstrate the ability to identify and develop case referrals?</p> <p><u>Considerations</u> Does the Proposer:</p> <ul style="list-style-type: none"> a. Indicate a method to identify and develop WC case referrals via electronic data matches of Medi-Cal payment and WC or employer payment? b. Identify other referral sources that will be utilized? 	4	

Scope of Work	Points Possible	Points Earned
<p>35. To what extent does the Proposer's case management system(s) identify and describe the methods used to ensure timely filing of Medi-Cal liens with the WCAB?</p> <p><u>Considerations</u> Has the Proposer indicated:</p> <ul style="list-style-type: none"> a. Filing directly with WCAB? b. Electronic filing utilizing the EDEX System? 	4	
<p>36. To what extent does the Proposer's case management system demonstrate the ability to create and update Medi-Cal itemizations of services as required in this RFP?</p> <p><u>Considerations</u> Does the Proposer:</p> <ul style="list-style-type: none"> a. Identify the Data and Payment Sources listed in this work plan as resources that will be utilized in the creation the itemizations of services? b. Indicate how this function will be monitored for accuracy? Identify how future updates of itemizations will be scheduled and/or monitored? 	4	
<p>37. To what extent does the Proposer's case management system identify the methods used to notify all involved parties of CDHS' right to recover Medi-Cal paid benefits?</p> <p><u>Considerations</u> <u>Does the Proposer identify the following methods:</u></p> <ul style="list-style-type: none"> a. Legal filings? b. Verbal communication? 	4	
<p>38. To what extent does the Proposer's case management system demonstrate the capacity to monitor the status of established cases?</p> <p><u>Considerations</u> <u>Do the Proposer's systems:</u></p> <ul style="list-style-type: none"> a. Provide for regularly updating Medi-Cal liens (ongoing treatment)? b. Provide for updating status of cases that are pending settlement? c. Include the utilization of the EDEX Systems as a monitoring tool? 	4	

Scope of Work	Points Possible	Points Earned
<p>39. To what extent does the Proposer indicate that the legal representation to be provided will possess the expertise necessary to appear and negotiate settlements at WCAB conferences, hearings, trials or any other appearances necessary?</p> <p><u>Considerations</u> <u>Does the Proposers legal representation possess:</u></p> <ul style="list-style-type: none"> a. Extensive knowledge of the labor codes? b. Confirmed negotiation/recovery experience in a WCAB environment? 	4	
<p>40. To what extent does the Proposer demonstrate the capability to maintain cases?</p>	4	
<p>41. To what extent does the Proposer demonstrate the capability to develop an accounting system that will provide the necessary reports and/or deliverables and audit trail/logs as required by this RFP?</p> <p><u>Considerations</u> <u>Does the Proposer:</u></p> <ul style="list-style-type: none"> a. Have a basic knowledge of the RFP requirements? b. Understand the nature of the work? c. Possess a knowledge and understanding of accounting principles and procedures? d. Have a plan for data files, programs and documentation to be backed up and stored off site? 	4	
<p>42. To what extent does the Proposers' accounting system have the capacity to develop reports for the scheduled intervals required?</p> <p><u>Considerations</u> <u>Does the accounting system provide for reports to be generated:</u></p> <ul style="list-style-type: none"> a. Monthly? b. Quarterly? c. Fiscal year end? d. Ad hoc or as needed by the State? 	4	

Scope of Work	Points Possible	Points Earned
<p>43. To what extent does the Proposer indicate how the EDEX System will be utilized for the WCRP?</p> <p><u>Considerations</u></p> <p><u>Will the Proposer utilize this system:</u></p> <ul style="list-style-type: none"> a. To file liens electronically? b. As an inquiry system to obtain information on specific cases? c. To monitor the status of established cases? 	4	
<p>44. To what extent does the Proposer demonstrate the capability to achieve collections?</p>	4	
Maximum Points <u>52</u> Earned X 1.1 Weight = 57.20		

O. Bid Requirements and Information

1. Non-responsive Proposals

In addition to any condition previously indicated in this RFP, the following occurrences **may** cause CDHS to deem a proposal non-responsive.

- a. If a Proposer fails to:
 - 1) Meet DVBE participation goals or to demonstrate that a substantial GFE was made to meet those goals.
 - 2) Meet proposal format/content or submission requirements including, but not limited to, the sealing, labeling, packaging and/or timely and proper delivery of proposals.
 - 3) Pass the Required Attachment/Certification Checklist review (i.e., by not marking "Yes" to applicable items or by not appropriately justifying, to CDHS' satisfaction, all "N/A" designations).
 - 4) Submit a **mandatory** Conflict of Interest Compliance Certificate in the manner required, if applicable.
- b. If a Proposer submits a proposal that is conditional, materially incomplete or contains material defects, alterations or irregularities of any kind.
- c. If a Proposer supplies false, inaccurate or misleading information or falsely certifies compliance on any RFP attachment.
- d. If CDHS discovers, at any stage of the bid process or upon contract award, that the Proposer is unwilling or unable to comply with the contract terms, conditions and exhibits cited in this RFP or the resulting contract.
- e. If other irregularities occur in a proposal response that is not specifically addressed herein (i.e., the Proposer places any conditions on performance of the Scope of Work, submits a counter proposal, etc.).

2. Proposal Modifications after Submission

- a. All proposals are to be complete when submitted. However, an entire proposal may be withdrawn and the Proposer may resubmit a new proposal.
- b. To withdraw and/or resubmit a new proposal, follow the instructions appearing in the RFP section entitled, "Withdrawal and/or Resubmission of Proposals."

3. Proposal mistakes

If prior to contract award, award confirmation, or contract signing, a Proposer discovers a mistake in their proposal and/or bid offering that renders the Proposer unable or unwilling to perform all scope of work services as described in its proposal response for the price/bid offered, the Proposer must immediately notify CDHS and submit a written request to withdraw its proposal.

4. Withdrawal and/or Resubmission of Proposals

a. Withdrawal Deadlines

A Proposer may withdraw a proposal at any time before the proposal submission deadline.

b. After the Submission Deadline

After the proposal submission deadline, a Proposal may be withdrawn with the consent of CDHS at anytime.

c. Submitting a Withdrawal Request

- 1) Submit a written withdrawal request, signed by an authorized representative of the Proposer.
- 2) Label and submit the withdrawal request using one of the following methods.

U. S. Mail:	Hand Delivery or Overnight Express:
Withdrawal RFP 07-65000 California Department of Health Services Office of Medi-Cal Procurement Workers' Compensation Recovery Program MS 4200 P.O. Box 997413 Sacramento, CA 95899-7413	Withdrawal RFP 07-65000 California Department of Health Services Office of Medi-Cal Procurement Workers' Compensation Recovery Program MS 4200 1501 Capitol Ave Suite 71.3041 Sacramento, CA 95814
FAX:	
Withdrawal RFP 07-65000 California Department of Health Services Office of Medi-Cal Procurement Workers' Compensation Recovery Program Fax: (916) 440-7369	

- 3) **For faxed withdrawal requests** Proposers must call (916) **552-8006** to confirm receipt of a faxed withdrawal request. Follow-up the faxed request by mailing or delivering the signed original withdrawal request within 24 hours after submitting a faxed request.

An originally signed withdrawal request is generally required before CDHS will return a proposal to a Proposer. CDHS may grant an exception if the Proposer informs CDHS that a new or replacement proposal will immediately follow the withdrawal.

d. Resubmitting a Proposal

After withdrawing a proposal, Proposers may resubmit a new proposal according to the proposal submission instructions. Replacement proposals must be received at the stated place of delivery by the proposal due date and time. Proposals withdrawn after the submission deadline are withdrawn and not subject to resubmission.

5. Contract Award and Protests

a. Contract Award

- 1) Award of the contract, if awarded, will be to the responsive and responsible Proposer, who earns the highest total score. The highest scored proposal will be determined after CDHS adjusts Proposer scores for applicable bidder preferences.
- 2) CDHS shall award the contract only after CDHS posts a Notice of Intent to Award for five (5) working days. CDHS expects to post the Notice of Intent to Award before the close of business on September 17, 2007 in a Contract Award Notices Binder which will be available for viewing by the public during normal business hours, at the following locations:

California Department of Health Services
Contract Management Unit
1501 Capitol Avenue, First Floor Guard Station
Sacramento, CA 95814-5005

California Department of Health Services
Office of Medi-Cal Procurement
1501 Capitol Avenue, Suite 71.3041
Sacramento, CA 95814-5005

- 3) CDHS will mail or fax a written notification and/or a copy of the Notice of Intent to Award to all firms that submitted a proposal.
- 4) CDHS will confirm the contract award to the winning Proposer after the protest deadline, if no protests are filed or following DGS' resolution of all protests. CDHS staff may confirm an award verbally or in writing.

b. Settlement of Ties

- 1) In the event of a precise total high score tie between a responsive proposal submitted by a certified small business or microbusiness and a responsive proposal submitted by a certified DVBE that is also a certified small business, the contract will be awarded to the DVBE firm per Government Code Section 14838(f) et seq.
- 2) In the event of a precise total high score tie between a responsive proposal submitted by a firm that was granted non-small business subcontractor preference

and a responsive proposal submitted by a certified small business or microbusiness, the contract will be awarded to the certified small business or microbusiness.

- 3) In the event of a precise total high score between a responsive proposal submitted by a nonprofit veteran service agency (NVSA) that is a certified small business and a responsive proposal submitted by a certified DVBE that is also a certified small business, the contract will be awarded to the certified DVBE.
- 4) In the absence of a California law or regulation governing a specific tie, CDHS will settle all other precise total high score ties by making an award to the Proposer who earns the highest narrative score. If narrative scores are also tied, CDHS will settle the tie in a manner that CDHS determines to be fair and equitable (e.g., coin toss, lot drawing, etc.). In no event will CDHS settle a tie by dividing the work among the tied Proposers.

c. Protests

1) Who can protest

Any Proposer who submits a proposal may file a protest if the Proposer believes its proposal is responsive to all RFP requirements.

2) Grounds for protests

Protests are limited to the grounds described in Public Contract Code (PCC) section 10345. CDHS will not make an award until all protests are withdrawn by the protestant, denied or resolved to the satisfaction of the DGS.

3) Protest time lines

- a. If an eligible Proposer wishes to protest the intended contract award, the Proposer must file a "Notice of Intent to Protest" with both CDHS and the Department of General Services within five working days after CDHS posts the Notice of Intent to Award. The Notice of Intent to Protest may be quite brief. Any Notice of Intent to Protest filed more than five working days after CDHS posts the Notice of Intent to Award shall be untimely.
- b. Within five calendar days after filing a "Notice of Intent to Protest", the protestant must file with both CDHS and the Department of General Services a full and complete written protest statement identifying the specific grounds for the protest. The statement must contain, in detail, the reasons, law, rule, regulation, or practice that the protestant believes CDHS has improperly applied in awarding the contract.

4) Submitting a protest

Protests must be filed with both the DGS and the CDHS. You may hand deliver, mail or fax your protest.

Label, address and submit the initial protest notice and detailed protest statement using one of the following methods:

U.S. Mail, Hand Delivery or Overnight Express:	Fax:
Protest to CDHS RFP 07-65000 California Dept. of Health Services Contract Management Unit MS1403 1501 Capitol Avenue, Suite 71.2101 P.O. Box 997413 Sacramento, CA 95899-7413	Protest to CDHS RFP 07-65000 California Dept. of Health Services Contract Management Unit Fax: (916) 650-0110
Protest to CDHS RFP 07-65000 California Dept. of General Services Office of Legal Services Attention: Protest Coordinator 707 Third Street, 7 th Floor, Suite 7-330 P.O. Box 989052 West Sacramento, CA 95798-9052	Protest to CDHS RFP 07-65000 California Dept. of General Services Office of Legal Services Fax: (916) 376-5088
Protest to CDHS RFP 07-65000 California Department of Health Services Office of Medi-Cal Procurement Workers' Compensation Recovery Program MS 4200 P.O. Box 997413 Sacramento, CA 95899-7413	Protest to CDHS RFP 07-65000 California Department of Health Services Office of Medi-Cal Procurement Workers' Compensation Recovery Program Fax: (916) 440-7369

For faxed protests

Faxed protests must be followed-up by sending an original signed protest, with all supporting material, within one (1) calendar week of submitting the faxed protest.

Call the telephone numbers below to confirm your fax transmission:

Department of General Services	(916) 376-5080
California Department of Health Services	(916) 650-0100
Office of Medi-Cal Procurement	(916) 552-8006

6. Disposition of Proposals

- a. All materials submitted in response to this RFP will become the property of the CDHS and, as such, are subject to the Public Records Act (GC section 6250, et seq.). CDHS will disregard any language purporting to render all or portions of any proposal confidential.
- b. Upon posting of a Notice of Intent to Award, all documents submitted in response to this RFP and all documents used in the selection process (e.g., review checklists, scoring sheets, letters of intent, etc.) will be regarded as public records under the California Public Records Act (GC section 6250 et seq.) and subject to review by the public. However, proposal contents, Proposer correspondence, selection working papers or any other medium shall be held in the strictest confidence until the Notice of Intent to award is posted.
- c. CDHS may return a losing proposal to a Proposer at their request and expense after CDHS concludes the procurement process.

- d. CDHS may retain or destroy losing proposals, for which a return request is not received, anytime after six (6) months from when CDHS concludes the procurement process.

7. Inspecting or Obtaining Copies of Proposals

- a. Who can inspect or copy proposal materials

Any person or member of the public can inspect or obtain copies of any proposal materials.

- b. What can be inspected/copied and when

- 1) After CDHS releases the RFP, any existing Proposers List (i.e., list of firms to whom the RFP is sent) is considered a public record and will be available for inspection or copying.
- 2) After the Pre-Proposal Conference, the sign in or attendance sheet is a public record and will be available for inspection or copying
- 3) On or after the date CDHS posts the Notice of Intent to Award, all proposals, Proposers list, conference sign-in/attendance sheet, letters of intent, checklists and/or scoring/evaluation sheets become public records. These records shall be available for review, inspection and copying during normal business hours.

- c. Inspecting or obtaining copies of proposal materials

Persons wishing to view or inspect any proposal or award related materials must identify the items they wish to inspect and must make an inspection appointment by contacting Nathan Greve or Robert Marlow at **(916) 552-8006**.

Persons wishing to obtain copies of proposal materials may visit CDHS or mail a written request to the CDHS office identified below. The requestor must identify the items they wish to have copied. Materials will not be released from State premises for the purposes of making copies.

Unless waived by CDHS, a check covering copying and/or mailing cost must accompany the request. Copying cost, when applicable, are charged at a rate of **ten cents** per page. CDHS will fulfill all copy requests as promptly as possible. Submit copy requests as follows:

Request for Copies - RFP 07-65000

California Department of Health Services
Office Of Medi-Cal Procurement
Workers' Compensation Recovery Program
Attn: Nathan Greve or Robert Marlow
MS 4200
1501 Capitol Avenue, Suite 71.3041
PO Box 997413
Sacramento, CA 95899-7413

8. Verification of Proposer Information

By submitting a proposal, Proposers agree to authorize CDHS to:

- a. Verify any and all claims made by the Proposer including, but not limited to verification of prior experience and the possession of other qualification requirements and

- b. Check any reference identified by a Proposer or other resources known by the State to confirm the Proposer's business integrity and history of providing effective, efficient and timely services.

9. CDHS Rights

In addition to the rights discussed elsewhere in this RFP, CDHS reserves the following rights:

a. RFP corrections

- 1) CDHS reserves the right to do any of the following up to the proposal submission deadline:
 - a) Modify any date or deadline appearing in this RFP or the RFP Time Schedule.
 - b) Issue clarification notices, addenda, alternate RFP instructions, forms, etc.
 - c) Waive any RFP requirement or instruction for all Proposers if CDHS determines that the requirement or instruction was unnecessary, erroneous or unreasonable.
 - d) Allow Proposers to submit questions about any RFP change, correction or addenda. If CDHS allows such questions, specific instructions will appear in the cover letter accompanying the document
- 2) To reduce cost of mailing procurement corrections to persons and entities that do not intend to bid, CDHS will mail, e-mail or fax written clarification notices and/or RFP addenda only to those persons and entities that submit a Mandatory Request for Inclusion on the Mailing List.
- 3) If CDHS decides, just before or on the proposal due date, to extend the submission deadline, CDHS may choose to notify potential Proposers of the extension by fax or by telephone. CDHS will follow-up any verbal notice in writing by fax or by mail.

b. Collecting information from Proposers

- 1) If deemed necessary, CDHS may request a Proposer to submit additional documentation during or after the proposal review and evaluation process. CDHS will advise the Proposers orally, by fax or in writing of the documentation that is required and the time line for submitting the documentation. CDHS will follow-up oral instructions in writing by fax or mail. Failure to submit the required documentation by the date and time indicated may cause CDHS to deem a proposal non-responsive.
- 2) CDHS, at its sole discretion, reserves the right to collect, by mail, fax or other methods the following omitted documentation and/or additional information:
 - a) Signed copies of any form submitted without a signature.
 - b) Data or documentation omitted from any submitted RFP attachment/form.
 - c) Information/material needed to clarify or confirm certifications or claims made by a Proposer.
 - d) Information/material needed to correct or remedy an immaterial defect in a proposal.
- 3) The collection of Proposer documentation may cause CDHS to extend the date for posting the Notice of Intent to Award. If CDHS changes the posting date, CDHS will advise the Proposers, orally or in writing, of the alternate posting date.

c. Immaterial proposal defects

- 1) CDHS may waive any immaterial defect in any proposal and allow the Proposer to remedy those defects. CDHS reserves the right to use its best judgment to determine what constitutes an immaterial deviation or defect.
- 2) CDHS' waiver of an immaterial defect in a proposal shall in no way modify this RFP or excuse a Proposer from full compliance with all bid requirements.

d. Correction of clerical or mathematical errors

- 1) CDHS reserves the right, at its sole discretion, to overlook, correct or require a Proposer to remedy any obvious clerical or mathematical errors occurring in the narrative portion of a proposal, on a Bid Proposal Form or on a Budget Detail Work Sheet.
- 2) If the correction of an error results in an increase or decrease in the total price, CDHS shall give the Proposer the option to accept the corrected price or withdraw their proposal.
- 3) Proposers may be required to initial corrections to cost and dollar figures on the Bid proposal form or a Budget Detail Work Sheet if the correction results in an alteration of the annual cost or total cost offered.
- 4) If a mathematical error occurs in a total or extended price and a unit price is present, CDHS will use the unit price to settle the discrepancy.

e. Right to remedy errors

CDHS reserves the right to remedy errors caused by:

- 1) CDHS office equipment malfunctions or negligence by agency staff,
- 2) Natural disasters (i.e., floods, fires, earthquakes, etc.).

f. No contract award or RFP cancellation

The issuance of this RFP does not constitute a commitment by CDHS to award a contract. CDHS reserves the right to reject all proposals and to cancel this RFP if it is in the best interests of CDHS to do so.

g. Reduced funding or reduction in needs

If full funding does not become available, is reduced or CDHS determines that it does not need all of the services described in this RFP; CDHS reserves the right to offer either an amended contract for reduced services or cancel the contract.

h. Contract amendments after award

As provided in the Public Contract Code governing contracts awarded by competitive bid, CDHS reserves the right to amend the contract after CDHS makes a contract award.

i. Proposed use of subcontractors and/or independent consultants

Specific subcontract relationships proposed in response to this RFP (i.e., identification of pre-identified subcontractors and independent consultants) shall not be changed during the procurement process or prior to contract execution. The pre-identification of a subcontractor or independent consultant does not affect CDHS' right to approve personnel or staffing selections or changes made after the contract award.

- j. Staffing changes after contract award

CDHS reserves the right to approve or disapprove changes in key personnel that occur after CDHS awards the contract.

P. Bidding Certification Clauses

1. Certificate of Independent Price Determination

- a. The prospective Proposer certifies that:
 - 1) The prices in this bid or proposal have been arrived at independently without any consultation, communication or agreement with any other Proposer or competitor for the purpose of restricting competition relating to:
 - a) The prices or cost offered,
 - b) The intention to submit a bid or proposal,
 - c) The methods or factors used to calculate the cost or bid prices offered.
 - 2) The prices in this bid or proposal have not been and will not be knowingly disclosed by the Proposer, directly or indirectly, to any other Proposer or competitor before the bid/cost proposal opening date or date of contract award posting, unless otherwise required by law.
 - 3) No attempt has been made or will be made by the Proposer to induce any other firm or entity to submit or not to submit a bid or proposal for the purpose of restricting competition.
- b. Each signature appearing on the documents contained in this bid package/proposal is considered to be a certification by the signatory that the signatory:

Is the person in the Proposer's organization that is either responsible for determining the prices offered in this bid or proposal and/or is designated to complete the bid or proposal forms on behalf of the bidding firm and the signatory has not participated and will not participate in any action contrary to all subsections of paragraph a.

2. Debarment and Suspension Certification

- a. The Contractor certifies to the best of its knowledge and belief, that it and its principals:
 - 1) Are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded by any federal department or agency;
 - 2) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property;

- 3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph a.2) of this certification; and
 - 4) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
 - 5) It shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 Code of Federal Regulations (CFR) part 9, subpart 9.4, debarred, suspended, declared ineligible or voluntarily excluded from participation in such transaction, unless authorized by the State.
 - 6) It will include a clause entitled "Debarment and Suspension Certification" that essentially sets forth the provisions herein, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- b. If the Contractor is unable to certify to any of the statements in this certification, the Contractor shall submit an explanation to the program funding this contract.

3. Lobbying Restrictions and Disclosure

(This certification only applies if the resulting contract total will equal or exceed \$100,000 and the contract will be federally funded in part or whole.)

- a. The Contractor certifies, to the best of its knowledge and belief, that:
- 1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Contractor, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.
 - 2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress in connection with this Federal contract, grant, loan or cooperative agreement, the Contractor shall complete and submit federal Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
 - 3) The Contractor shall require that the contents of this certification be collected from the recipients of all sub-awards, exceeding \$100,000, at all tiers (including subcontracts, sub-grants, etc.) and shall be maintained for three years following final payment/settlement of those agreements.
- b. This certification is a material representation of fact upon which reliance was placed when this contract was made and/or entered into. The making of the above certification is a prerequisite for making or entering into this contract pursuant to 31 United States Code (U.S.C.) 1352 (45 CFR 93). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

- c. The Standard Form-LLL may be obtained from various federal agencies, federally sponsored World Wide Web Internet sites, CDHS upon request or may be copied from Exhibit D (F) entitled, Special Terms and Conditions.

Q. Preference Programs

To confirm the identity of the highest scored responsive Proposer, CDHS will adjust the total point score for applicable claimed preference(s). Bidding preferences shall not be applied to proposals that fail to pass the Checklist Review or fail to earn a minimum passing score during the narrative proposal scoring process. CDHS will apply preference adjustments to eligible Proposers according to State regulations following on-line or personal verification of eligibility with the appropriate office of the Department of General Services.

1. Small Business / Microbusiness Preference

- a. A responsive California small business or microbusiness Proposer claiming preference and verified as a certified small business or microbusiness in a relevant business category or type will be granted a preference of five percent (5%) of the total point score earned by the responsive/responsible Proposer with highest combined score, if the highest scored proposal is submitted by a non-small business. Non-small business means a responsive/responsible Proposer that is not certified by the California Department of General Services as a California small business or microbusiness in a relevant business category or type. The "service" category or business type will most likely apply to this procurement. Nonprofit Veteran Service Agencies (NVSA) are to view the instructions in provision 3 of this section (Preference Programs).
- b. To be certified as a California small business or microbusiness and eligible for a bidding preference the business concern must meet the State's eligibility requirements and must have submitted an application for small business status no later than 5:00 p.m. on the proposal submission deadline.
- c. Firms desiring small business or microbusiness certification must obtain the appropriate Small Business Certification Application (STD 813 or other form) from the appropriate office of the Department of General Services, fully complete the application, and submit it to the Department of General Services as instructed in the application. Prospective proposing firms desiring small business certification assistance, may contact the Department of General Services by the following means:
 - 1) (916) 322-5060 (24 hour recording and mail requests), or
 - 2) (916) 375-4940 (Small business assistance) or (800) 559-5529 (live operator Central receptionist), or
 - 3) Internet address: <http://www.pd.dgs.ca.gov/smbus/default.htm> or
 - 4) Fax: (916) 375-4950, or
 - 5) Email: osdchelp@dgs.ca.gov

2. Non-Small Business Subcontractor Preference

- a. Non-small business means a responsive/responsible Proposer that is not certified by the California Department of General Services as a small business or microbusiness.
- b. If the responsive Proposer earning the highest total score is not a certified small business/microbusiness, a bid preference up to five percent (5%) is available to a responsive non-small business Proposer committing twenty-five percent (25%) small business subcontractor use of one or more small businesses. When applicable, the preference points will be calculated pursuant to the regulations in Title 2, California Code of Regulations (CCR) § 1896.8 and will be added to total score of an eligible non-small

business. This preference is authorized pursuant to Title 2, CCR § 1896.2 and Government Code § 14835.

- c. If a Proposer claims the non-small business subcontractor preference, the proposal response must identify each proposed small business subcontractor that will be used, the participation percentage and dollar amount committed to each identified small business subcontractor, and substantial proof to enable verification of each subcontractor's small business status. The total small business subcontractor use must equal no less than twenty-five percent (25%) of the total cost offered.
- d. To be granted preference, each proposed small business subcontractor must possess an active small business certification issued by the Department of General services, must perform a "commercially useful function" under the contract and the basic functions to be performed must be identified at the time of proposal submission.
- e. Complete **Attachment 10a (Non-Small Business Subcontractor Preference Request) and Attachment 10b (Small Business Subcontractor/Supplier Acknowledgement)** to request the non-small business subcontractor preference.
- f. Refer to the RFP section entitled, "Settlement of ties" to learn how tied costs will be resolved.

3. Nonprofit Veteran Service Agency (NVSA) Small Business Preference

- a. Pursuant to Military and Veteran Code Section 999.50 et seq., responsive/responsible nonprofit veteran service agencies (NVSAs) claiming small business/microbusiness preference and verified as such in the relevant category or business type prior to the proposal submission due date will be granted a preference up to five percent (5%) of the highest score, if the highest scored responsive proposal is submitted by a Proposer not certified as a small business/microbusiness. The "service" category is the business type that will most likely apply to this procurement.
- b. To be eligible for the NVSA small business preference, the business concern must:
 - 1) Request small business preference at the time of proposal submission, and
 - 2) Become certified as a small business by the appropriate office of the California Department of General Services (DGS) prior to the proposal submission due date.
- c. Refer to the RFP section entitled, "Settlement of ties" to learn how tied proposals will be resolved.

4. Target Area Contract Preference Act and Enterprise Zone Act

- a. Government Code (GC) section 4530 (TACPA) and GC section 7070 (EZA) provide that California based companies shall be granted a 5% preference whenever a state agency prepares a solicitation for **services** in excess of \$100,000. The preference(s) shall apply if the worksite is not fixed by the government agency and the Proposer can demonstrate and certify, under the penalty of perjury, that at least 90 percent of the total labor hours required to perform the services shall be performed at an identified worksite located in a distressed area (TACPA) or enterprise zone (EZA). TACPA/EZA preferences will only be applied if this procurement results in more than one responsive proposal receiving a passing narrative proposal score.
- b. Additional work force preferences ranging from 1% to 4% can be earned by eligible Proposers that agree to hire 5% to 20% of persons with a high risk of unemployment or

those living in a targeted employment area or that are enterprise zone eligible to perform a specified percentage of the contract work.

- c. The granting of TACPA or EZA preference cannot displace an award to a certified small business.
- d. Proposers seeking TACPA and/or EZA preference must submit a completed STD 830 - Target Area Contract Preference Act Request (**Attachment 11**) or a STD 831 - Enterprise Zone Act (EZA) Preference Request (**Attachment 12**) with their proposal. The applicable preference request form must include the following:
 - 1) All appropriate certifications. (TACPA and EZA)
 - 2) The proposing firm's name and the name of all suppliers and subcontractors that will work with the Proposer to fulfill the terms of the contract along with the addresses of each of the worksite(s) and estimated labor hours. (TACPA and EZA)
 - 3) County census tract number and block group number. (TACPA)
 - 4) Enterprise zone name(s). (EZA)
 - 5) Proposer's original signature. (TACPA and EZA)
 - 6) A checkbox marked to identify the additional 1 to 4 percent preference sought for hiring persons with a high risk of unemployment. (TACPA and EZA)
- e. TACPA and/or EZA preference cannot be granted if:
 - 1) The lowest proposed cost does not equal or exceed \$100,000 for the entire term, **or**
 - 2) The work site or any part thereof is fixed or preset by the State, **or**
 - 3) The services involve construction or a public works project **or**
- f. A Proposer who has claimed a TACPA and/or EZA preference and is awarded the contract will be obligated to perform in accordance with the preference(s) requested, provided the preference was granted in obtaining the contract. Firms receiving preference must:
 - 1) Report their labor hours to the State and
 - 2) Reference the state contract on which the award is based for the specific reporting requirements.
- g. Proposers wishing to learn more about TACPA and/or EZA requirements, designated work site(s) or enterprise zones in California should contact the appropriate office of the Department of General Services at (916) 375-4940. DGS will attempt to determine TACPA and/or EZA eligibility within two working days.

5. Local Military Base Recovery Area (LAMBRA) Act Preference

- a. LAMBRA preference may be granted for this procurement if the lowest cost offered is \$100,000 or more; if no part of the worksite is fixed by CDHS, and the Proposer can demonstrate and certify, under the penalty of perjury, that 100 percent of the total labor hours required to perform the services shall be performed at an approved worksite located in a local military base recovery area. LAMBRA preference will only be applied if this procurement results in more than one responsive proposal receiving a passing Technical Proposal score.
- b. Proposers seeking to obtain a LAMBRA 5 percent preference must submit acquire and submit a completed STD 832 (Local Military Base Recovery Area Act for Goods and Services Solicitations) with their proposal response. The STD 832 may be accessed at this Internet site: <http://www.documents.dgs.ca.gov/osp/pdf/std832.pdf>.

- c. Proposers wishing to obtain more information about LAMBRA Preference should visit this website: <http://www.pd.dgs.ca.gov/edip/lambra.htm>

6. Combined Preferences

The maximum preference or score addition that any Proposer may be granted for preference, non-small business subcontractor preference, TACPA preference, EZA preference, or LAMBRA preference combined is 15%.

Any firm that claims and is granted non-small business subcontractor preference, TACPA preference, EZA preference, and/or LAMBRA preference cannot displace an award to a certified small business or microbusiness.

R. Contract Terms and Conditions

The winning Proposer must enter a written contract that may contain portions of the Proposer's proposal (i.e., Budget Detail Work Sheets, Work Plan), Scope of Work, standard contract provisions, the contract form and the exhibits identified below. Other exhibits, not identified herein, may also appear in the resulting contract.

The exhibits identified in this section contain contract terms that require strict adherence to various laws and contracting policies. A Proposer's unwillingness or inability to agree to the proposed terms and conditions shown below or contained in any exhibit identified in this RFP may cause CDHS to deem a Proposer non-responsible and ineligible for an award. CDHS reserves the right to use the latest version of any form or exhibit listed below in the resulting agreement if a newer version is available.

The exhibits identified below illustrate many of the terms and conditions that may appear in the final agreement between CDHS and the winning Proposer. Other terms and conditions, not specified in the exhibits identified below, may also appear in the resulting agreement. Some terms and conditions are conditional and may only appear in an agreement if certain conditions exist (i.e., contract total exceeds a certain amount, federal funding is used, etc.).

In general, CDHS will not accept alterations to the General Terms and Conditions (GTC), CDHS' Special Terms and Conditions, the Scope of Work, other exhibit terms/conditions or alternate language that is proposed or submitted by a prospective contractor. CDHS may consider a proposal containing such provisions "a counter proposal" and CDHS may reject such a proposal as non-responsible.

1. Sample Contract Forms/Exhibits

Exhibit Label	Exhibit Name
a. Exhibit A1	Standard Agreement (1 page)
b. Exhibit A (with Attachment)	Scope of Work (19 pages)
c. Exhibit B	Budget Detail and Payment Provisions (4 pages)
d. Exhibit C - View on-line.	General Terms and Conditions (GTC 307). View or download this exhibit at this Internet site www.dgs.ca.gov/contracts .
e. Exhibit D(F)	Special Terms and Conditions (26 pages)

Exhibit Label	Exhibit Name
f. Exhibit E	Additional Provisions (18 pages)
g. Exhibit F	Contractor's Release (1 page)
h. Exhibit G	HIPAA (7 pages)

2. Unanticipated Tasks

In the event unanticipated or additional work must be performed that is not identified in this RFP, but in CDHS' opinion is necessary to successfully accomplish the scope of work, CDHS will initiate a contract amendment to add that work. All terms and conditions appearing in the final contract including the salary/wage rates, unit rates and/or other expenses appearing on the Proposer's Budget Detail Work Sheets will apply to any additional work.

3. Resolution of Language Conflicts (RFP vs. Final Agreement)

If an inconsistency or conflict arises between the terms and conditions appearing in the final agreement and the proposed terms and conditions appearing in this RFP, any inconsistency or conflict will be resolved by giving precedence to the final agreement.